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97TH CONGRESS, 2d Session } SENATE { REPORT No. 97-566

AGRICULTURE, RURAL DEVELOPMENT AND RELATED AGENCIES APPROPRIATION BILL, 1983

SEPTEMBER 22 (legislative day, SEPTEMBER 8), 1982.—Ordered to be printed

Mr. COCHRAN, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H.R. 7072]

The Committee on Appropriations, to which was referred the bill (H.R. 7072) making appropriations for Agriculture, Rural Development, and Related Agencies programs for the fiscal year ending September 30, 1983, and for other purposes, reports the same to the Senate with various amendments and presents herewith an explanation of the contents of the bill.

AMOUNT IN NEW BUDGET (OBLIGATIONAL) AUTHORITY, FISCAL YEAR 1983

Amount of bill as passed by the in House	$23,066,954,000
Amount of change by Senate Committee	+2,089,035,000
Amount of bill as reported to Senate	25,155,989,000
Amount of 1982 Appropriations Acts to date	31,841,329,000
Amount of estimates, 1983	23,083,665,000
The bill as reported to the Senate:	
Under the appropriations provided in 1982	6,685,340,000
Over the estimates for 1983	2,072,324,000
Over the House bill	2,089,035,000

S183-9

BREAKDOWN BY TITLE

The amounts of obligational authority for each of the five titles contained in the House bill for fiscal year 1983, compared with the Committee recommendations, are shown in the following table. A detailed tabulation, showing comparisons, appears at the end of this report. Recommendations for individual appropriation items, projects and activities are carried in this report under the appropriate item headings.

	1982 enacted	1983 House bill	1983 Committee recommendation
Title I: Agricultural programs	$14,348,384,000	$6,322,717,000	$8,274,229,000
Title II: Rural development and assistance programs	2,489,087,000	3,393,036,000	3,422,730,000
Title III: Domestic food programs	13,572,951,000	11,876,954,000	13,977,362,000
Title IV: International programs	1,071,863,000	1,102,525,000	1,109,539,000
Title V: Related agencies	359,044,000	371,722,000	372,129,000
Total, new budget (obligational) authority	31,841,329,000	23,066,954,000	25,155,989,000
Transfers from section 32	1,769,618,000	2,287,346,000	2,287,346,000
Total obligational authority	33,610,947,000	25,354,300,000	27,443,335,000

COMPLIANCE WITH SECTION 308 OF THE BUDGET CONTROL ACT

Section 308(a) of the Budget Control Act (Public Law 93–344) requires that this Committee include in its report specific budgetary information on the status of recommended appropriations relative to the First Concurrent Resolution. The following table provides these data:

BUDGETARY IMPACT OF THE BILL

PREPARED BY THE CONGRESSIONAL BUDGET OFFICE PURSUANT TO SEC. 308(a), PUBLIC LAW 93-344

[In millions of dollars]

	Budget authority		Outlays	
	Committee allocation	Amount in bill	Committee allocation	Amount in bill
Comparison of amounts in the bill with the Committee allocation to its subcommittees of amounts in the First Concurrent Resolution for 1983: Subcommittee on Agriculture, Rural Development and Related Agencies	24,800	[1] 27,874	22,000	[2] 21,851
Projections of outlays associated with budget authority recommended in the bill:				
1983				[3] 20,410
1984				1,002
1985				176
1986				44
1987 and future year				331
Financial assistance to State and local governments for 1983 in the bill		3,375		2,543

[1] Including $3,783 million for reimbursement for net realized losses of the Commodity Credit Corporation, which is not charged against the allocation. Also including permanent appropriation.

[2] Includes outlays from prior-year budget authority.

[3] Excludes outlays from prior-year budget authority.

TABLE OF CONTENTS

SUMMARY OF THE BILL

Page

General discussion of Committee consideration 6

TITLE I—AGRICULTURAL PROGRAMS

PRODUCTION, PROCESSING, AND MARKETING

Office of the Secretary 8
Standard level user charges, USDA 9
Advisory committees, USDA 9
Departmental Administration 12
Governmental and Public Affairs 13
Congressional affairs 14
Office of the Inspector General 14
Office of the General Counsel 15
Federal Grain Inspection Service:
Inspection and Weighing Services 18
Science and Education 18
Agricultural Research Service 19
Scientific Activities Overseas (special foreign currency program) 25
Cooperative State Research Service 26
Extension Service 30
National Agricultural Library 32
Animal and Plant Health Inspection Service 33
Food Safety and Inspection Service 38
Economic Research Service 39
Statistical Reporting Service 39
Agricultural Cooperative Service 40
World Agricultural Outlook Board 42
Agricultural Marketing Service 42
Office of Transportation 45
Packers and Stockyards Administration 45

FARM INCOME STABILIZATION

Agricultural Stabilization and Conservation Service 46
Dairy indemnity program 47

CORPORATIONS

Federal Crop Insurance Corporation 48
Commodity Credit Corporation 50

TITLE II—RURAL DEVELOPMENT PROGRAMS

RURAL DEVELOPMENT ASSISTANCE

Office of Rural Development Policy 52
Farmers Home Administration 53
Rural grant programs 63
Rural Electrification Administration 68

CONSERVATION

Soil Conservation Service 70
Agricultural Stabilization and Conservation Service 75

TITLE III—DOMESTIC FOOD PROGRAMS

Food and Nutrition Service 79
Human Nutrition Information Service 86

TITLE IV—INTERNATIONAL PROGRAMS

Foreign Agricultural Service 88
Public Law 480 89
Office of International Cooperation and Development 90

TITLE V—RELATED AGENCIES

Food and Drug Administration 92
Commodity Futures Trading Commission 93
Farm Credit Administration 94

TITLE VI—GENERAL PROVISIONS

General provisions 96

SUMMARY OF THE BILL

The Agriculture, Rural Development, and Related Agencies appropriations bill provides funding for a widely diverse number of Federal programs, including the research, conservation, lending, price support, export promotion, and nutrition programs administered by the Department of Agriculture, as well as the activities of the Food and Drug Administration and the Commodity Futures Trading Commission.

The Committee is faced again with a challenging year for the appropriations process, as we attempt to balance important program funding needs with the need to bring Federal spending under control.

The President's fiscal year 1983 budget for agriculture includes reductions in several appropriations accounts and the elimination of certain programs altogether. The Committee has weighed those requests carefully and has considered their impact on the programs which depend on this bill for funding.

The Committee's task has been made more difficult, because we find the American farmer in difficult economic times, which are also affecting many Americans who depend on the Department's nutrition programs. Although the Committee acknowledges some improvement in the economy due to recovery efforts stimulated by the President and the Congress, we are still faced with depressed market conditions, higher production costs, and high interest rates. These problems have placed incredible burdens on the farming sector, just as economic conditions have affected the ability of millions of Americans to provide themselves and their families with a nutritionally sound diet.

In its recommendations, the Committee has attempted to fund programs in the bill at adequate levels that will address these problems and further promote economic recovery.

For purposes of comparison, the Committee's recommendation for total appropriations in this bill is less than the amount appropriated in fiscal year 1982. It is also within the Senate 302 budget allocation, when the amount for the Commodity Credit Corporation (CCC) is excluded, due to the Budget Committee's scorekeeping methodology. The bill total is more than the amount provided in the House bill and the amount in the President's budget request, primarily because the Committee is recommending full-year funding for certain nutrition programs. The budget request for food stamps, the child nutrition programs, and the feeding program for women, infants, and children (WIC) assumed significant savings to be achieved through various legislative proposals. The majority of these proposals have not been enacted, nor are they expected to be enacted in fiscal year 1983. The House bill recommends the budget request levels for these programs, but for less than a full year in each case. The Committee's recommendations are based on the best currently available estimates of participation in these

programs and funds them for the entire fiscal year. Thus, the Committee's bill is over $2,000,000,000 higher than both the administration's estimates and the House bill total. The Committee notes, however, that it feels this method of funding is much more realistic, avoids the risks and uncertainty of potential program delays or closedowns, and removes the need for inevitable requests for supplemental appropriations later in the fiscal year.

In its recommendations, the Committee reasserts its strong support for research and extension activities and for animal and plant disease and pest control activities. The Committee, once again, emphasizes the importance of conservation programs, which are so critical to agriculture and to the future of our environment. The Committee recommends funding at the current-law levels for the Department's nutrition programs, on which millions of Americans depend for a nutritional diet.

The Committee has assessed the importance of various lending programs administered by the Farmers Home Administration (FmHA) and by the Rural Electrification Administration (REA) and has determined that there is a compelling need in rural America for a Federal presence in the lending market. Through various programs, the Committee has also attempted to strengthen agriculture's potential in world markets. The Committee is convinced that continued efforts to expand agricultural markets overseas are critical to a healthy domestic farm economy.

Finally, the Committee has recommended reasonable levels of funding for the important activities of the Food and Drug Administration (FDA) and of the Commodity Futures Trading Commission (CFTC).

Procedurally, the Committee has extracted from applicable accounts throughout the bill, and consolidated into two new accounts, funds used to pay standard level user charges (SLUC) and to support the activities of advisory committees. Thus, several accounts in the bill have had corresponding reductions for these two new accounts.

TITLE I—AGRICULTURAL PROGRAMS

PRODUCTION, PROCESSING, AND MARKETING

DEPARTMENT OF AGRICULTURE

OFFICE OF THE SECRETARY

1982 appropriation	[1] $4,999,000
1983 budget estimate	5,406,000
House allowance	3,884,000
Committee recommendation	3,884,000

[1] Includes pay supplemental of $284,000.

The Secretary of Agriculture, assisted by the Deputy Secretary, Under Secretaries, and Assistant Secretaries, and members of their immediate staffs, directs and coordinates the work of the Department. This includes developing policy, maintaining relationships with agricultural organizations and others in the development of farm programs, and maintaining liaison with the Executive Office of the President and Members of Congress on all matters pertaining to agricultural policy.

The general authority of the Secretary to supervise and control the work of the Department is contained in the Organic Act (7 U.S.C. 2201–2202). The delegation of regulatory functions to Department employees and authorization of appropriations to carry out these functions is contained in 7 U.S.C. 450c–450g.

For the Office of the Secretary for fiscal year 1983, the Committee recommends an appropriation of $3,884,000. This is $1,115,000 less than was provided in 1982, $1,522,000 less than the budget request, and the same as the House allowance.

As discussed in the summary and in the next section of this title, a new account has been established for standard level user charges (SLUC). Consequently, there has been a reduction in this account of $673,000 for SLUC.

The Committee concurs with the action of the House to transfer the appropriation for regulatory hearings and decisions from this account to the account for departmental administration. These funds support the activities of the administrative law judges and the judicial officer. Therefore, there has been a further reduction in this account of $743,000. This reduction, the SLUC reduction, and a general reduction of $106,000 account for the difference between the total amount requested and the Committee's recommendation.

STANDARD LEVEL USER CHARGES

1982 appropriation	[1] ($56,377,000)
1983 budget estimate	[1] (61,352,000)
House allowance	56,377,000
Committee recommendation	56,377,000

[1] Shown for comparison purposes; totals included under individual agencies.

Standard level user charges (SLUC) are paid by the Department and many of its agencies to the General Services Administration (GSA) for use of space, facilities, and certain services in buildings owned or leased by the Federal Government. Annual appropriations are made to the Department and its agencies to pay these charges. To date, these charges have been included in the budget request of an agency or office and in the appropriation account for that particular function.

Agency budget estimates for SLUC are based on GSA's projection of what it will charge the agency in a given budget year. GSA sets rates according to the market value of property or space occupied, and independent of any agency input. SLUC receipts are placed in a fund used by GSA in the management of its real property operations. All Federal Government agencies utilizing Government-owned or leased property pay into this fund, which provides GSA with a pool of capital to support overall Government space needs.

The Committee shares the concerns expressed in the House report that GSA's SLUC rates for fiscal year 1983 reflect an unreasonable increase and are unjustifiably tied to prevailing commercial market rates.

Consequently, the Committee concurs with the action of the House to establish a new appropriation account for standard level user charges (SLUC). This new account represents a consolidation of funds previously incorporated in certain individual accounts for use in payment of standard level user charges. The Committee further agrees with the House that SLUC payments in fiscal year 1983 shall not exceed the 1982 level. The Committee intends to scrutinize standard level user charges and payments very carefully to insure that the agencies that depend on this bill for appropriated funds are not being held accountable for excessive SLUC rates.

The Committee also directs that future year budget requests and explanatory notes reflect a separate account for SLUC.

For standard level user charges for fiscal year 1983, the Committee recommends an appropriation of $56,377,000. This is the same amount as provided in 1982, $4,975,000 less than the budget estimate, and the same amount provided in the House bill.

ADVISORY COMMITTEES

1982 appropriation	[1] ($922,184)
1983 budget estimate	[1] (1,553,518)
House allowance	1,398,000
Committee recommendation	1,398,000

[1] Shown for comparison purposes; totals included under individual agencies.

The Department of Agriculture and several of its agencies utilize advisory committees to provide supplemental and specialized expertise that is valuable in assuring that information is timely and accurate and

that decisions are based on the best available knowledge and technologies. These advisory committees are comprised of experts and professionals from the academic and private sectors.

The following tables list the advisory committees currently in existence and those proposed for creation in fiscal year 1983.

ADVISORY COMMITTEES (EXCLUDING FOREST SERVICE)

Committee name	Current members	Budget	Agency appropriation
Advisory Committee on Foreign Animal and Poultry Diseases	0	$14,950	APHIS
Advisory Committee on Meat and Poultry Diseases	19	24,700	FSIS
Advisory Committee on Swine Health Protection	16	22,490	APHIS
Agricultural Policy Advisory Committee for Trade	23	21,705	FAS
Agricultural Technical Advisory Committee for Trade on Cotton	8	6,735	FAS
Agricultural Technical Advisory Committee for Trade on Dairy Products	7	7,725	FAS
Agricultural Technical Advisory Committee for Trade on Fruits and Vegetables	13	7,770	FAS
Agricultural Technical Advisory Committee for Trade on Grain and Feed	6	10,750	FAS
Agricultural Technical Advisory Committee for Trade on Livestock and Livestock Products	10	8,760	FAS
Agricultural Technical Advisory Committee for Trade on Oilseeds and Products	12	7,745	FAS
Agricultural Technical Advisory Committee for Trade on Poultry and Eggs	6	7,735	FAS
Agricultural Technical Advisory Committee for Trade on Sweeteners and Tropical Products	0	7,715	FAS
Agricultural Technical Advisory Committee for Trade on Tobacco	5	7,715	FAS
Animal Health Science Research Advisory Board	12	25,000	CSRS
Citizens Advisory Committee on Equal Opportunity	0	75,700	DA
Committee of Nine	9	29,000	CSRS
Federal Grain Inspection Service Advisory Committee	13	60,000	FGIS
Flue-Cured Tobacco Advisory Committee	37	13,000	AMS
General Conference Committee of the National Poultry Improvement Plan	10	9,400	APHIS
Hop Marketing Advisory Board	5	1,300	AMS
Human Nutrition Board of Scientific Counselors	0	100,000	ARS
National Advisory Council on Child Nutrition	4	32,500	FNS
National Advisory Council on Maternal, Infant, and Fetal Nutrition	13	94,675	FNS
National Advisory Council on Rural Development	0	40,000	ORDP
National Agricultural Research and Extension Users Advisory Board	12	192,524	S&E
National Arboretum Advisory Council	0	11,850	ARS
National Plant Genetic Resources Board	14	29,600	CSRS
Plant Variety Protection Board	0	12,700	AMS

ADVISORY COMMITTEES (EXCLUDING FOREST SERVICE)—Continued

Committee name	Current members	Budget	Agency appropriation
Policy Advisory Committee for the Science and Education Research Grants Program	0	14,640	CSRS
Study Committee on Premiums and Discounts for Upland Cotton	0	23,800	ASCS
Total	254	922,184	

ADVISORY COMMITTEES BEING ESTABLISHED

[Estimated costs]

Committee name	Current members	Budget	Agency appropriation
Aquaculture Advisory Board	12	$18,000	CSRS
Cooperative Forestry Research Advisory Council	16	43,200	CSRS
National Advisory Committee for Tobacco Inspection Services	0	30,000	AMS
National Agricultural Cost of Production Standards Review Board	11	30,000	ERS
Soybean Research Advisory Institute	11	115,000	ARS
Task Force on Farm Income Protection Insurance Program	13	150,000	ASCS/ FCIC
Technical Advisory Committee for Science and Education Research Grants Program	0	218,934	CSRS
Rangeland Research Advisory Board	12	26,200	CSRS
Total	75	631,334	

The Committee concurs with House action to appropriate funds separately for departmental and agency advisory committees, rather than to appropriate funds for advisory committees within the appropriation for the agencies or programs they serve. The Committee further agrees with action of the House to reduce the total requested amount by 10 percent.

The Committee also directs that future year budget requests and explanatory notes reflect a separate account for advisory committees.

For advisory committees for fiscal year 1983, the Committee recommends an appropriation of $1,398,000. This is $475,816 more than provided in 1982, $155,518 less than the budget estimate, and the same amount provided in the House bill.

DEPARTMENTAL ADMINISTRATION

1982 appropriation	[1] $15,018,000
1983 budget estimate	13,647,000
House allowance	13,166,000
Committee recommendation	13,166,000

[1] Includes pay supplemental of: $110,000 for budget and program analysis; $440,000 for operations and finance, personnel, equal opportunity, safety and health management, and small and disadvantaged business utilization.

The Departmental staff offices provide staff support to the top policy officials of the Department and overall direction and coordination to the work of USDA's program agencies to insure the efficient and effective management and operation of the Department.

Activities carried out by the Departmental staff offices include:

—Overall direction and administration of the Department's budgetary functions including development, presentation, execution control, reporting and adjusting fund and manpower resources; evaluation of program and legislative proposals for program, budget, and related resource implications; and analysis of program and resource issues and alternatives and preparation of summaries of pertinent data to aid Departmental policy officials and agency program managers in the decisionmaking process.

—Staff and support services to agency programs in the management of real and personal property, procurement, contracts, financial affairs, management improvement, automated data processing.

—The personnel management program of the Department;

—Coordination and supervision of equal opportunity responsibilities in the Department's programs and employment;

—Management and administration of safety and health activities of the Department; and

—Oversight of all procurement activities to assure maximum participation of small and disadvantaged business in the procurement process.

—The Office of Energy functions as the coordinator of the Department's energy policies and strategies and serves as the Department's liaison with the Department of Energy and other Government agencies.

For Departmental Administration for fiscal year 1983, the Committee recommends an appropriation of $13,166,000. This is $1,852,000 less than was provided in 1982, $481,000 less than the budget estimate, and the same amount as provided in the House bill.

As previously discussed, a new account has been established for standard level user charges (SLUC). Consequently, there has been a reduction in this account of $1,181,000 for SLUC.

The Committee concurs with the action of the House to appropriate funds for departmental regulatory hearings and decisions through this account, rather than through the Office of the Secretary. These funds support the activities of the administrative law judges and the judicial officer. The administrative law judges hold rulemaking and adjudicatory hearings and issue initial decisions and orders. The judicial officer serves as final deciding officer in regulatory proceedings. The Committee concurs with a further reduction of $43,000 made by the House in this activity.

Additionally, the Committee concurs with the House directive that the explanatory notes on the budget request for fiscal year 1984 be based on the funding levels required to carry out programs under current law, regardless of OMB's guidance for preparation of the President's budget. Any assumed savings or costs from legislative proposals will be separately identified as adjustments to this current services level.

WORKING CAPITAL FUND

The departmental working capital fund was authorized in 1944 and is used to finance services provided to Department agencies on a centralized basis when this will result in cost savings because of economies of scale, reduced overhead, central cost-based management, or coordination which avoids duplication of effort. In recent years, the total volume of working capital fund activities has grown dramatically, primarily because of centralization of additional services such as central accounting and computer services, rising costs in all activities, and increases in the volume and complexity of agency activities.

The Committee concurs with the House recommendation that obligations chargeable against the working capital fund shall not exceed $89,847,000.

GOVERNMENTAL AND PUBLIC AFFAIRS

1982 appropriation	$8,216,000
1983 budget estimate	7,288,000
House allowance	6,677,000
Committee recommendation	6,677,000

Governmental and Public Affairs serves as the central organization to insure consistency and coordination of the Department's public information and external affairs activities and directing the defense and emergency preparedness programs of the Department.

The two major programs are:

Public affairs.—Provides direction, leadership, and balance in the development and delivery of useful information, through all media, to the public on USDA's research, educational, and regulatory activities.

Intergovernmental affairs.—Directs and coordinates all programs involving the implementation of USDA policies and procedures applicable to the Department's intra and intergovernmental relations, defense program, and emergency preparedness program.

For Governmental and Public Affairs for fiscal year 1983, the Committee recommends an appropriation of $6,677,000. This is $1,539,000 less than was provided in 1982, $611,000 less than the budget estimate, and the same amount as provided in the House bill.

As previously discussed, a new account has been established for standard level user charges (SLUC). Consequently, there has been a reduction in this account of $611,000 for SLUC.

While the organization of this Office remains unchanged, the Committee concurs with the action of the House to remove the appropriation for congressional affairs from this account and to make that appropriation through a separate new account.

Congressional Affairs

1982 appropriation	$412,000
1983 budget estimate	464,000
House allowance	439,000
Committee recommendation	439,000

Congressional affairs maintains liaison with the Congress and the White House on legislative matters of concern to the Department and exercises responsibility for the coordination of all congressional matters except congressional appropriations.

The Committee concurs with the action of the House to appropriate funds for the function of congressional affairs through this separate account.

For congressional affairs for fiscal year 1983, the Committee recommends an appropriation of $439,000. This is $27,000 more than provided in 1982, $25,000 less than the budget estimate, and the same as provided in the House bill.

As previously discussed, a new account has been established for standard level user charges (SLUC). Consequently, there has been a reduction in this account of $25,000 for SLUC.

Office of the Inspector General

	Appropriation	Transfer from food stamp program	Total
1982 appropriation	$28,255,000	($13,651,000)	[1] ($41,906,000)
1983 budget estimate	33,769,000	(10,149,000)	(43,918,000)
House allowance	27,943,000	(14,270,000)	(42,213,000)
Committee recommendation	27,943,000	(14,270,000)	(42,213,000)

[1] Includes pay supplemental of $1,078,000, of which $385,000 shall be derived by transfer from the food stamp program.

The Office of the Inspector General was established by law October 12, 1978, by the Inspector General Act of 1978. This reaffirmed and expanded the Office established by order of the Secretary of Agriculture.

The Office is headed by an Inspector General who reports directly to the Secretary, keeping him informed of fraud, other serious problems, abuses, and deficiencies within the Department. The Inspector General is also required by law to report periodically to the Congress. The Office provides policy direction and conducts, supervises and coordinates all audits and investigations. It also reviews existing and proposed legislation and regulations and makes recommendations to the Secretary and Congress regarding the impact such initiatives will have on the economy and efficiency of the Department's programs and operations.

For the Office of the Inspector General for fiscal year 1983, the Committee recommends an appropriation of $27,943,000. In addition to amounts directly appropriated, the Committee recommendation includes a transfer of $14,270,000 from the food stamp program, for a total program level of $42,213,000. This is the same as the level recommended by the House, $307,000 more than was provided in 1982, and $1,705,000 less than the budget estimate. As previously discussed, a new ac-

count has been established for standard level user charges (SLUC). Consequently, there has been a reduction in this account of $1,705,000 for SLUC. This reduction represents the total difference between the budget request and the Committee's recommendation.

The Committee reiterates its position that dollars spent in support of the Inspector General and efforts to reduce fraud and waste in the Department's programs are sound investments that will more than pay for themselves through dollars saved. Further, the Committee continues the policy that the Inspector General shall determine his own program priorities rather than consider the use of the funds transferred as limited exclusively to food stamp audits and investigations.

Office of the General Counsel

	Appropriation	Transfer from food stamp program	Total
1982 appropriation	[1] $13,263,000	($508,000)	[1] ($13,771,000)
1983 budget estimate	13,689,000	(508,000)	(14,197,000)
House allowance	12,386,000	(628,000)	(13,014,000)
Committee recommendation	12,386,000	(628,000)	(13,014,000)

[1] Includes pay supplemental of $441,000.

The Office of General Counsel serves as legal counsel for the Secretary of Agriculture and performs all legal work for the Department. It represents the Department in administrative and judicial proceedings, examines titles to lands to be acquired by the Department or accepted as security for loans, and disposes of claims arising out of the Department's activities.

For the Office of the General Counsel for fiscal year 1983, the Committee recommends an appropriation of $12,386,000. This is $877,000 less than was provided in 1982, $1,303,000 less than the budget estimate, and the same amount as provided in the House bill.

The Committee also concurs with the House proposal to transfer $628,000 from the food stamp program. Together with the recommended appropriation, the total amount provided is $1,183,000 less than the budget estimate. As with funds transferred to the Office of the Inspector General, the General Counsel should not consider these funds as a minimum or a maximum level of activity on food stamp issues.

Additionally, as previously discussed, a new account has been established for standard level user charges (SLUC). Consequently, there has been a reduction in this account of $1,183,000 for SLUC. This reduction represents the total difference between the budget request and the Committee's recommendation.

The Committee has reviewed the requirements of the Department of Agriculture in Alaska and concluded that legal staff is required to provide the day-to-day advice required by the many permitting and land management decisions needed by land managers on the Tongass and Chugach National Forests. Increasing litigation has also demonstrated the need of legal counsel in the State. Use of attorneys from Portland,

Oreg. or Washington, D.C., has proven cumbersome and ineffective in assisting the Regional Forester, especially in light of the many new requirements of the Forest Service in the Alaska National Interest Lands Conservation Act of 1980. The Committee directs that two full-time staff attorneys be located in Alaska at the disposal of the Regional Forester. The Committee believes this will satisfy the needs of the Alaska region for the time being. The Committee directs that, from within available funds, the Office of the General Counsel shall allocate funds sufficient for these attorneys and support staff for the new positions. If additional funds are required to carry out this directive for the full fiscal year, the Committee will expect a request for supplemental funds to be submitted.

Federal Grain Inspection Service

Salaries and Expenses

1982 appropriation	$5,600,000
1983 budget estimate	5,195,000
House allowance	5,369,000
Committee recommendation	5,369,000

The Federal Grain Inspection Service was established on November 20, 1976, pursuant to the U.S. Grain Standards Act, as amended (Public Law 94–582). The act was amended again in 1977 to provide an advisory committee, technical amendments, and appropriation funding for field supervision and in 1980 to eliminate most mandatory inbound weighing at export port locations. The act was amended again under the Omnibus Budget Reconciliation Act of 1981. The act now requires user fee funding to support supervision and administration of the inspection and weighing programs, areas previously covered by appropriations. The Service carries out grain inspection and weighing programs under the U.S. Grain Standards Act and other programs under the authority of the Agricultural Marketing Act of 1946, as amended. The programs under the Agricultural Marketing Act of 1946 include the inspection and grading of rice, dry beans, peas, lentils, processed grain products, hay, straw, hops, and other agricultural commodities as were assigned to the agency by the Secretary of Agriculture under the authority of the Reorganization Plan No. 2 of 1953.

The Federal Grain Inspection Service provides for the establishment of official U.S. standards for grain and insures the uniform application of the standards through a series of official inspection, weighing, weight certification, and supervision programs. Through these permissive and mandatory programs, the Service aids in advancing orderly and efficient marketing and effective distribution of U.S. grain and other assigned commodities from the Nation's farms to domestic and foreign buyers.

The amended U.S. Grain Standards Act requires the Service to provide Federal or delegated State original inspection and weighing services at export ports and Federal supervision at all locations. The supervision program includes supervision at export ports by Federal inspectors and weighers, and licensed inspectors and weighers employed by eight delegated State agencies. The agency supervises licensed inspection and

weighing personnel employed by 83 designated State and private agencies performing nonexport services at interior locations. The inspection and weighing programs utilize Federal and delegated State personnel for the mandatory inspection and weighing of outbound grain at export ports, and for the permissive inspection and weighing of inbound grain at export ports. Federal personnel also carry out nationwide appeal inspections and the inspection of rice and other assigned commodities. The costs of nearly all field services and most headquarters activities are financed from fees charged for services performed. Compliance and standardization activities, international monitoring, and the FGIS Advisory Committee are financed from appropriations.

For the Federal Grain Inspection Service for fiscal year 1983, the Committee recommends an appropriation of $5,369,000. This is $174,000 more than the amount requested in the budget, $231,000 less than provided in 1982, and the same amount as the House allowance.

As previously discussed, a new account has been established for standard level user charges (SLUC). Consequently, there has been a reduction in this account of $171,000 for SLUC. Additionally, as previously discussed, a new account has been established for advisory committees. Consequently, there has been a reduction in this account of $60,000 for advisory committees.

The Committee further agrees with House bill language which provides that the funds in this act may not be used to pay the salary of any individual who requires nonexport-nonterminal interior elevators to maintain records not involving official inspection or official weighing, but extends the language to cover funds from fee-supported activities.

The Committee remains concerned about the level of safety in the Nation's grain handling facilities. In 1981, explosions in these facilities took 13 lives and injured 62 persons. In the first 7 months of 1982 explosions took 6 lives and injured 30. The Committee endorses the recent establishment of the Grain Storage, Handling, and Processing Safety Coordinating Committee within the Department. The mission of the Coordinating Committee is to provide leadership, coordination, implementation, and monitoring activities to insure the safe and efficient movement of the Nation's grain. The Administrator of the Federal Grain Inspection Service chairs the Coordinating Committee comprised of representatives of the Agricultural Research Service, the Extension Service, the Agricultural Marketing Service, and the National Agricultural Library.

Based on recent reports issued by the National Research Council of the National Academy of Sciences, the Committee believes significant strides can be made toward improving the safety record of grain handling facilities. Therefore, the Committee directs that not less than $300,000 be dedicated to carrying out the responsibilities of the Grain Storage, Handling, and Processing Safety Coordinating Committee as outlined in Secretary's Memorandum No. 1043–3. This effort shall include, but not be limited to, the tracking and analysis of grain handling facility explosions, the development of an information center to disseminate information on safe grain storage, handling, and processing prac-

tices, as well as the development and implementation of departmental policies which will encourage safe grain storage, handling, and processing. The aforementioned funds shall be made available from within the funds provided for the Coordinating Committee member agencies and the Office of the Secretary.

The Committee expects to be kept informed of the progress of the Coordinating Committee in meeting its responsibilities.

INSPECTION AND WEIGHING SERVICES

LIMITATION ON ADMINISTRATIVE EXPENSES

1982 appropriation	($60,260,000)
1983 budget estimate	.....
House allowance	(44,313,000)
Committee recommendation	(44,313,000)

The Federal Grain Inspection Service provides an official grain inspection and weighing system under the U.S. Grain Standards Act (USGSA), and official inspection of rice and grain related products under the Agricultural Marketing Act (AMA) of 1946, as amended.

Federal inspection and weighing services under the USGSA are financed entirely by a user-fee supported revolving fund. Programs covered by the revolving fund include: original grain inspection and weighing at selected export ports; original inspection of U.S. grain exported through Canada; Federal appeals of original grain inspections; stowage inspections on containers carrying U.S. grain for export; and registration of grain firms operating in the export grain trade. The AMA provides for the inspection and grading of rice and other commodities. All administrative and field costs for this service are also financed from user fees.

The Committee recommends a limitation of $44,313,000 on the obligation of funds collected through user fees for fiscal year 1983. The total limitation is the same amount as provided in the House bill.

SCIENCE AND EDUCATION

In 1981, the Department of Agriculture announced a reorganization plan which created four new agency level units in place of the former Science and Education Administration (SEA). All research and education activities are now coordinated by the Director of Science and Education, a general officer of the Department. These units include the Agricultural Research Service (ARS), the Cooperative State Research Service (CSRS), and the Extension Service (ES), each headed by an administrator, and the National Agricultural Library, headed by a director.

AGRICULTURAL RESEARCH SERVICE

1982 appropriation	[1] $434,410,000
1983 budget estimate	468,548,000
House allowance	453,530,000
Committee recommendation	457,201,000

[1] Includes $8,732,000 for Human Nutrition Information Services.

As the U.S. Department of Agriculture's in-house agricultural research unit, the Agricultural Research Service has major responsibilities

for conducting and leading the national agricultural research effort. It provides initiative and leadership in five areas: research on broad regional and national problems; research to support Federal action and regulatory agencies; expertise to meet national emergencies; research support for international programs; and scientific resource to the executive branch and Congress.

The mission of Agricultural Research Service is to develop new knowledge and technology which will insure an abundance of high quality agricultural commodities and products at reasonable prices to meet the increasing needs of an expanding economy and to provide for the continued improvement in the standard of living of all Americans. This mission focuses on the development of technical information and technical products which bear directly on the needs to (1) manage and use the Nation's soil, water, air, and climatic resources, and improve the Nation's environment; (2) provide an adequate supply of agricultural products by practices that will maintain a permanent and effective agriculture; (3) improve the nutrition and well-being of the American people; (4) improve living in rural America; and (5) strengthen the Nation's balance of payments.

COMMITTEE FUNDING RECOMMENDATIONS

The following table summarizes the Committee recommendations on the Agricultural Research Service:

AGRICULTURAL RESEARCH SERVICE

[In thousands of dollars]

	Fiscal year 1982 appropriation	Fiscal year 1983 budget	House bill	Committee recommendation
Basic research	195,327	204,927	200,127	200,127
Animal health and protection	19,468	23,468	21,468	23,468
Range and pasture	6,232	6,732	6,482	6,732
Germplasm resources	9,302	13,102	13,102	13,102
National Arboretum	385	635	635	635
Acid precipitation	110	979	284	284
Conservation and use of land and water:				
Colorado River Basin	336	936	936	936
RCA	3,882	6,782	6,782	6,782
Water use efficiency	7,585	9,185	9,185	9,185
Human nutrition	25,206	26,206	26,206	26,206
Tropical/subtropical	3,715	735	735	735
Minor use pesticide	1,170	1,170	1,170	1,170
AGRISTARS	5,101	5,101	5,101	5,101
Industrial uses of farm products	6,503	6,503	6,503	6,503
Guayule	1,304	1,304	1,304	1,304
Bee research	3,441	3,491	3,491	3,491
Aquaculture	443	443	443	443
Tobacco research	5,133	5,133	5,133	5,133
Stored tobacco insects	220	220	220	220
Beef forage	1,220	1,220	1,220	1,500

AGRICULTURAL RESEARCH SERVICE—Continued

[In thousands of dollars]

	Fiscal year 1982 appropriation	Fiscal year 1983 budget	House bill	Committee recommendation
Brucellosis	1,966	1,991	1,991	1,991
Dairy forage	2,118	2,318	2,318	3,000
Dairy herd improvement	1,554	1,554	1,554	1,554
Beckley, W. Va., Conservation Lab	1,533	1,619	1,619	2,000
Kearneysville, W. Va., fruit research	2,311	2,311	2,311	2,311
Grasshopper fungus	153	153	153	175
Horn fly	579	629	629	629
Integrated pest management	8,830	10,130	10,130	10,130
Pickles, onions, and carrots	1,358	1,358	1,358	1,358
Pseudorabies	460	560	560	560
Rice research	2,482	2,499	2,499	2,499
Saline and sodic soils	300	300	300	300
Sugarcane production	2,257	2,257	2,257	2,257
TCK smut in wheat	389	389	389	389
Toxicology Lab study	150	150	150	150
Yellow wilt disease (sugar beet disease)	25	25	25	25
Control of perennial weeds	.....	.....	144	200
All other	103,130	122,033	116,033	116,033
Subtotal, Agricultural Research Service	425,678	468,548	454,947	458,618
Adjustments:				
SLUC	.....	(3,021)	-3,021	-3,021
Advisory committees	.....	(396)	-396	-396
Total, Agricultural Research Service	425,678	468,548	451,530	455,201

Basic agricultural research.—For basic agricultural research, the Committee recommends an appropriation of $200,127,000. This is $4,800,000 more than the amount provided in 1982, $4,800,000 less than the budget request, and the same amount as provided in the House bill.

Animal health and protection.—For animal health and protection research activities, the Committee recommends $23,468,000. This is $4,000,000 more than provided in 1982, $2,000,000 more than the House allowance, and the same amount as the budget request.

Range and pasture.—For range and pasture research, the Committee recommends an appropriation of $6,732,000. This is $500,000 more than provided in 1982, $250,000 more than the House allowance, and the same as the budget request.

Acid precipitation.—For research on acid precipitation, the Committee recommends an appropriation of $284,000, the same as the House allowance and an increase of $174,000 over the amount provided in 1982. The Committee concurs with House action in reducing this account $695,000 below the budget request. This reduction is offset by the addition of that amount for an acid precipitation special grant under the Cooperative State Research Service.

Human nutrition.—For human nutrition research, the Committee concurs with the House allowance of $26,206,000. This is $1,000,000 more than provided in 1982, and the same as the budget request.

The Committee does not concur with the House directive that, from the total funds available for ARS, up to $9,000,000 be provided to support the operation of the Tufts Human Nutrition Center. The Committee does, however, direct that, within the total funds available for ARS, $6,000,000 be provided for operation of the USDA Human Nutrition Center at Grand Forks, N. Dak.

Aquaculture.—For aquaculture research, the Committee recommends an appropriation of $443,000, the same amount provided in 1982, in the budget request, and in the House allowance. The Committee continues to recognize the importance of aquaculture as a source of food and as an area for private investment. Until the passage of the National Aquaculture Act of 1980, the aquaculture industry had been largely overlooked by the Federal Government. With the enactment of Public Law 96–362, the Federal Government recognized the potential contributions of this industry and the need to promote it on a national basis. The Committee, therefore, expects the Department to expedite the publication of the national aquaculture development plan mandated by law, and to assist the Department of Commerce and the Department of the Interior in developing a coherent national policy to govern the development of aquaculture in the United States. Further, the Committee expects the Department to report in a timely fashion to the appropriate committees of Congress on progress made on the publication of this plan and on the implementation of a national policy.

Tobacco research.—For tobacco research, the Committee recommends $5,133,000, the same amount as provided in 1982, in the budget request, and in the House allowance. The Committee believes these funds should be used to support research in the chemical and physiological modification of the tobacco plant through genetic and cultured techniques as it relates to health concerns.

Beef forage.—For beef forage research, the Committee recommends an appropriation of $1,500,000. This is $280,000 more than the amount provided in 1982, in the budget request, and in the House allowance. It has come to the Committee's attention that, in the disbursement of funds for beef forage research in 1982, total budgeted amounts did not in fact reach the research centers in some cases. For example, the Mississippi State University research group received less than the amount budgeted for its program and, consequently, has not been able to fully implement its approved research activities. The Committee directs that the full amount of funds intended for research projects be disbursed in a timely manner in order that research operations may commence without inordinate delays.

Kearneysville, W. Va.—The Committee recommends an appropriation of $2,311,000 for the Appalachian fruit research station which conducts research to improve production, harvesting, and disease and insect resistance of various fruits and berries. This is the same amount as provided in 1982, in the budget request, and in the House allowance.

Beckley soil laboratory.—The Committee recommends an appropriation of $2,000,000 for the Beckley, W. Va., soil conservation laboratory. This facility conducts research on soil and water problems associated with hill-land agriculture and with the reclamation and utilization of surface-mined land. The amount provided is $467,000 more than provided in 1982, and $381,000 more than provided in the budget request and in the House bill.

TCK smut in wheat.—*Tellitia controversa* Kuhn (TCK), commonly called dwarf smut, is a disease of wheat known to occur only in small areas of the Northwestern United States and a few other countries of the world. The Committee continues its interest in insuring that better controls are developed to prevent the spread of dwarf smut's dust-like spores. Consequently, the Committee recommends an appropriation of $389,000, the same amount as provided in 1982, in the budget request, and in the House bill.

Soil and water conservation research in Alaska.—The Committee recommends that funding be provided at the 1982 level for the continuation of soil and water conservation research in Alaska. This research is part of an ongoing USDA program designed to help Alaska avoid the soil erosion problems that are now facing the continental United States.

Tropical/subtropical research.—The Committee recommends an appropriation of $735,000 for tropical and subtropical research programs under section 406 of the Agricultural Trade Development Assistance Act. This is $2,980,000 less than provided in 1982, and the same as the budget request, and the House allowance. The reduction of $2,980,000 is offset by an increase of the same amount to tropical and subtropical research activities under the Cooperative State Research Service.

Potato research.—The Committee concurs with the action of the House to appropriate $4,430,000 for potato research in fiscal year 1983. This is $436,000 more than provided in 1982, and the same amount as in the budget request. The Committee directs that, within the funds available for potato research, ARS accelerate the Eastern Russet breeding program in Beltsville, Md. This program has been successful in making the Eastern Russet potato more competitive in markets.

Grasshopper fungus.—For research on grasshopper fungus, the Committee recommends $175,000. This is $22,000 more than the amount provided in 1982, in the budget request, and in the House allowance.

Dairy forage.—For dairy forage research, the Committee recommends $3,000,000. This is $682,000 more than the budget request and the House allowance, and $882,000 more than provided in 1982.

Germplasm.—The Committee concurs with the recommendation of the House to appropriate $13,102,000 for national plant germplasm resources. This is $3,800,000 more than the amount provided in 1982 and the same amount as the budget request. The Committee recommends exclusion of bill language proposed by the House to allow for the construction of a fruit and nut germplasm repository at Geneva, N.Y.

The Committee is aware of the Department's intention to construct, after fiscal year 1983, a new facility for the national plant germplasm

system (NPGS) to house the Nation's largest small grain collection. This collection is used to increase crop productivity and minimize the effects of agriculture adversities such as insect infestation, disease, and extreme temperature fluctuations. While the Committee understands that final selection of a site for this facility has yet to be made, Aberdeen, Idaho's location, climate, facilities, and research experience make its selection perhaps the most logical among the other site finalists. The Committee, therefore, urges the Department to strongly consider Aberdeen, Idaho as the location of this new, necessary facility.

Rice research.—The Committee again recognizes the importance of rice research activities conducted at the ARS facility in Stuttgart, Ark. The Department will be expected to at least continue the research activities and staffing levels at the Stuttgart facility commensurate with recent year levels.

Integrated pest management.—The Committee directs that, within funds available, the $200,000 Federal-State cooperative research program on yellow star thistle be continued.

Pea and lentil research.—The Committee includes in its recommendations for research funding $100,000 for the continuation of pea and lentil research in the Pacific Northwest.

Vegetable oils as fuel.—The Committee directs that of the funds provided to ARS, $100,000 be utilized for research being conducted at Moscow, Idaho, on the use of vegetable oils as a replacement for diesel fuel.

The Committee also expects ARS to continue the enhanced funding levels for research at the On-farm Energy Research Center located in Columbia, Mo.

Sugarcane production efficiency research, Houma, La.—The Committee recommends an appropriation of $2,257,000 for sugarcane production efficiency research at the Houma, La., facility. This is the same amount as provided in 1982, in the budget request, and in the House bill.

Control of perennial weeds.—For research on the control of perennial weeds, the Committee recommends an appropriation of $200,000. This is $200,000 more than provided in 1982 and in the budget request, and $56,000 more than the House allowance.

Post-harvest citrus research.—The Committee recognizes the importance of post-harvest research on citrus. While considerable efforts have been expended on the preharvest phase, not enough attention has been focused on such critical areas as citrus handling, packaging, storage, shipping, and processing as well as citrus pathology and physiology. The market quality/transportation research unit of the U.S. Horticultural Research Laboratory at Orlando, Fla., and the U.S. Citrus and Subtropical Products Laboratory at Winter Haven, Fla., have been leaders in the post-harvest research area. The Committee is concerned, however, that inflation has eroded the staffing and research capabilities of these units. Therefore, the Committee expects that current staffing levels be maintained within available funds and that new staff be added if additional funds become available.

Lesser cornstalk borer and the mole cricket.—The Committee recognizes efforts to expand extramural agreements with the University of Florida regarding research on the lesser cornstalk borer and the mole cricket. The Committee believes this research is of high priority and should be continued.

Headhouse facility, Columbia, Mo.—The Committee notes that the budget presumes the construction of a headhouse connecting greenhouse facility at Columbia, Mo. for crop production research and cereal genetics research. The Committee will expect this facilty to be constructed within available funds.

Budget justifications.—The Committee remains concerned over the level of overhead and administrative costs associated with ARS and its system of area offices, regional offices, the national office as well as planning staff. These administrative costs are not readily apparent in the budget. Therefore, the Committee directs that the explanatory notes for the fiscal year 1984 ARS budget include a specific explanation of the costs associated with administering the Federal research efforts. This would include, but not be limited to, the costs associated with each area and regional office, and the national office, as well as planning efforts. The Committee recognizes that the costs at headquarters include expenses paid to the Department for central charges that also derive from programs in the field, such as official mail charges, Federal telephone expenses, printing, and services of the National Finance Center. The Committee will expect the level of activity spent on ARS information staff to be specifically identified as well.

Bee research.—Within the amount provided for bee research, the Committee expects that work on chalk brood syndrome will continue at the $100,000 level.

The Committee also recognizes that pesticide research is very important to the honey industry and, therefore, directs the ARS to continue operation of the Laramie bee lab at the University of Wyoming.

Standard level user charges (SLUC).—As previously discussed, a new account has been established for standard level user charges (SLUC). Consequently, there has been a reduction in the ARS account of $3,021,000 for SLUC.

Advisory committees.—Additionally, as previously discussed, a new account has been established for advisory committees. Consequently, there has been a reduction in the ARS account of $396,000 for advisory committees.

BUILDINGS AND FACILITIES

1982 appropriation	$8,596,000
1983 budget estimate	.....
House allowance	850,000
Committee recommendation	2,750,000

The buildings and facilities account is established for the acquisition of land, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities of, or used by, the Agricultural Research Service. Routine construction or replacement items would continue to be funded under the limitations contained in the regular account.

The Committee recommends an appropriation of $2,750,000 for this account. This is $2,750,000 more than the budget estimate, $1,900,000 more than the House allowance, and $5,846,000 less than the amount provided in 1982. The Committee recommends in a general provision in the bill that new obligational authority in this account shall remain available until expended.

The Committee recommends $2,000,000 for engineering and design costs associated with the Old West Regional College. This is $1,500,000 more than the House allowance.

The Committee recommends an appropriation of $750,000 for planning, engineering, preconstruction, and site preparation for the Forage Seed Production and Research Center to be located in Corvallis, Oreg. This Center represents the cooperative efforts of the forage seed industry, Oregon State University, and the Department. The Committee anticipates the Center will have a positive impact on the industry and will contribute greatly to increased exports of forage seeds.

The Committee does not concur with the action of the House to provide $350,000 for establishment of the initial facilities for a small farm experiment and demonstration station in Oklahoma.

SCIENTIFIC ACTIVITIES OVERSEAS (SPECIAL FOREIGN CURRENCY PROGRAM)

1982 appropriation	$450,000
1983 budget estimate	2,977,000
House allowance	2,977,000
Committee recommendation	2,977,000

Foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States are used for expenses of carrying out programs of the Department of Agriculture under the Agricultural Trade Development and Assistance Act of 1954, as amended. Research that is important to American agriculture and supplements our domestic programs is carried on through agreements negotiated with institutions and organizations in foreign countries. For example, research is conducted on exotic pests and diseases of plants and animals which cannot be done in the United States. Specialized projects provide for the translation and dissemination of foreign language scientific publications.

The Committee recommends an appropriation of $2,977,000 for scientific activities overseas. This is the same as the budget estimate and the House allowance and $2,527,000 more than provided in 1982.

COOPERATIVE STATE RESEARCH SERVICE

1982 appropriation	$221,216,000
1983 budget estimate	232,103,000
House allowance	230,082,000
Committee recommendation	246,953,000

The Cooperative State Research Service participates in a nationwide system of agricultural research program planning and coordination between the States and the U.S. Department of Agriculture which encourages and assists in the establishment and maintenance of cooperation within and among the States and between the States and their Federal research partners. The primary function is the administration of grants and payments to States to supplement State and local funding for agricultural research carried on by the State agricultural experiment stations of the 50 States, Puerto Rico, Guam, the Virgin Islands, the District of Columbia, American Samoa, and Micronesia; by approved schools of forestry; the 1890 land-grant institutions and Tuskegee Institute; colleges of veterinary medicine; and other eligible institutions.

The following table summarizes Committee recommendations for the Cooperative State Research Service.

COOPERATIVE STATE RESEARCH SERVICE

[In thousands of dollars]

	Fiscal year 1982 appropriation	Fiscal year 1983 budget	House bill	Committee recommendation
Payments under Hatch Act	141,109	144,495	149,295	149,295
Cooperative forestry research (McIntire-Stennis)	12,031	10,807	12,452	12,452
Payments to 1890 Colleges and Tuskegee	21,492	21,674	22,394	22,394
Special research grants (Public Law 89–106):				
STEEP-Soil Erosion in N.W	622	622	622	622
Food and agriculture policies	156	156	156	156
Soybean	518	518	518	518
Pest management	3,091	2,611	3,091	3,091
Rural development centers	311	311	311	311
Soybean cyst nematode (Missouri)	240		240	300
Bean and beet (Michigan)	82		97	97
Animal health	7,156	7,156	7,156	7,156
Energy research	960			500
Aquaculture, Stoneville, Miss	240		240	300
Dairy photoperiod (Michigan)	34		34	
Pesticide clearance	1,680	1,680	1,680	1,680
Pesticide impact assessment	2,069	2,069	2,069	2,069
Dairy goat research			100	
Bean flower (Texas/Michigan)	99		99	
Aquaculture	518	518	518	518
Antidesertification	1,037	1,037	1,037	1,037
Germplasm resources	902	902	902	902

COOPERATIVE STATE RESEARCH SERVICE—Continued

[In thousands of dollars]

	Fiscal year 1982 appropriation	Fiscal year 1983 budget	House bill	Committee recommendation
Special research grants (Public Law 89–106)—Continued				
Blueberries (Michigan)	96		96	96
Peach tree short life (South Carolina)	192			192
TCK Smut (wheat)	288			361
Acid precipitation			695	695
Sugarland use research (Hawaii)			150	150
Biological control of pests	480	480	480	480
Food quality and safety research	384	384	384	384
Control of perennial weeds (Mississippi)	144			
Mosquito research	480		480	480
Small farm center	24			
Stocker cattle research			140	
Agronomic and horticultural studies			110	
Dried bean (North Dakota)	24		24	25
Sunflower midge (North Dakota)	72			80
Tropical and subtropical		2,980	2,980	2,980
Potato research				300
Biomass energy research (Oregon)				1,800
Subtotal, special research grants	21,899	21,424	24,409	27,280
1890 facilities		8,800	10,000	10,000
Competitive research grants:				
Plant science	13,440	19,880	8,000	15,000
Human nutrition	2,880	3,000	2,000	3,000
Subtotal, competitive research grants	16,320	22,800	10,000	18,000
Animal health and disease (sec. 1433)	5,760			6,000
Alcohol fuels (sec. 1419)	540	540	540	540
Native Latex Act (Public Law 95–592—Guayule)	702	702	702	702
Federal administration	1,363	781	1,081	1,081
Subtotal, Cooperative State Research Service	221,216	232,103	230,873	247,744
Adjustments:				
SLUC		(301)	-301	-301
Advisory committees		(490)	-490	-490
Total, Cooperative State Research Service	221,216	232,103	230,082	246,953

Individual items are discussed below:

Payments for cooperative research under the Hatch Act.—The Committee recommends $149,295,000. This is $4,800,000 more than the amount requested in the budget, the same as the House allowance, and $8,186,000 more than was provided in fiscal year 1982.

Cooperative forestry research.—The Committee recommends $12,452,000. This is $1,645,000 more than the budget request, the same amount as provided by the House, and $421,000 more than provided in 1982.

Payments to 1890 Colleges and Tuskegee.—The Committee recommends $22,394,000.

Special research grants under Public Law 89–106.—The Committee recommends a total of $27,280,000. Specifics of individual grant allowances are included in the accompanying table.

Competitive research grants.—The Committee recommends an appropriation of $18,000,000. This is $8,000,000 more than the House allowance, $4,880,000 less than the budget estimate, and $1,680,000 more than was appropriated last year. The Committee continues its commitment to this method of fostering and promoting increased levels of basic agricultural research in our Nation.

Animal health and disease research grants (section 1433).—The Committee recommends $6,000,000 for section 1433 animal health and disease research grants. This is $6,000,000 more than the amount in the budget request and in the House allowance, and $240,000 more than provided in 1982.

Soybean cyst nematode (Missouri).—The Committee recommends an appropriation of $300,000 for soybean cyst nematode research in Missouri. This is $60,000 more than provided in 1982 and in the House allowance and $300,000 more than the budget estimate.

Energy research.—For energy research, the Committee recommends an appropriation of $500,000. This is $460,000 less than provided in 1982 and $500,000 more than provided in the budget request and in the House bill.

Aquaculture, Stoneville, Miss.—For aquaculture research at Stoneville, Miss., the Committee recommends $300,000. This is $60,000 more than provided in 1982 and in the House allowance, and $300,000 more than the budget request.

Peach tree short-life research.—The Committee recommends $192,000 for peach tree short-life research to continue the multiyear program initiated in the fiscal year 1981 Appropriations Act. This is $192,000 more than the House allowance and the budget request and is the same amount as provided in 1982.

TCK smut (wheat).—This disease is previously discussed under the same heading in the Agricultural Research Service (ARS) section of this report. The Committee recommends an addition of $361,000 and will expect a coordinated and integrated research program to continue between the State Agricultural Experiment Stations in the Northwest and ARS.

Acid precipitation.—As previously discussed under the same heading in the ARS section of this report, the Committee concurs with House

action to transfer $695,000 in appropriations from ARS to Cooperative State Research Service (CSRS) for acid precipitation research. This is $695,000 more than the amount provided in 1982 and in the budget request.

Sugar land use research (Hawaii).—The Committee recommends concurrence with the House allowance of $150,000 for sugar land use research in Hawaii. This is $150,000 more than provided in 1982 and in the budget request.

Stocker cattle research.—The Committee does not concur with the House allowance of $140,000 for a stocker and feeder cattle research project.

Agronomic and horticultural studies.—The Committee does not concur with the House allowance of $110,000 for agronomic and horticultural studies.

Dried bean (North Dakota).—The Committee recommends an appropriation of $25,000 for dried bean research in North Dakota. This is $1,000 more than the amount provided in 1982 and in the House allowance and $25,000 more than the budget request.

Sunflower midge (North Dakota).—The Committee recommends an appropriation of $80,000 for sunflower midge research. This is $8,000 more than the amount provided in 1982 and $80,000 more than the budget request and the House allowance.

Tropical and subtropical.—For tropical and subtropical research, the Committee recommends an appropriation of $2,980,000. This is the same amount as requested in the budget and in the House allowance. The appropriation in 1982 was made under the ARS program for tropical and subtropical. The Committee concurs with the transfer of these funds from ARS to CSRS and has no objection with this treatment of the funds as long as the Caribbean Basin and Pacific Basin Advisory Groups remain the sources for solicitation, recommendation, and distribution of section 406 funds.

Potato research.—For potato research, the Committee directs that $300,000 be allocated to the university breeding programs in the States of Pennsylvania, Maine, New York, and Maryland to assist in accelerating the Eastern Russet breeding program.

Biomass energy research (Oregon).—The Committee recommends an appropriation of $1,800,000 for a feasibility study on the use of agriculture residues and forest slash as fuel resources for a combined-cycle, closed-loop electrical powerplant at Oregon State University.

Standard level user charges (SLUC).—As previously discussed, a new account has been established for standard level user charges (SLUC). Consequently, there has been a reduction in the CSRS account of $301,000 for SLUC.

Advisory committees.—Additionally, as previously discussed, a new account has been established for advisory committees. Consequently, there has been a reduction in the CSRS account of $490,000 for advisory committees.

Federal administration.—The Committee concurs with the House allowance of $1,081,000 for Federal administration. This is $282,000 less

than the amount provided in 1982 and $300,000 more than the budget request. It is from this account that the SLUC and Advisory Committee reductions for CSRS are to be made, as discussed above.

EXTENSION SERVICE

1982 appropriation	$315,702,000
1983 budget estimate	311,911,000
House allowance	327,027,000
Committee recommendation	326,610,000

The Extension Service is the educational arm of the U.S. Department of Agriculture. Through its partnership with land grant colleges and universities it uses a nationwide educational delivery system to extend knowledge into virtually every county in the United States and its territories. This education is offcampus and informal, and is recognized internationally as the most successful education system of this type ever developed.

The extension partnership includes both the land grant universities that have been established in every State as a result of the Morrill Act of 1862 as well as the primarily black land grant institutions that were established in 16 States by the Second Morrill Act of 1890. Additional institutions that are members of the national extension system include colleges and universities having similar goals and missions in the District of Columbia, Puerto Rico, Guam, Virgin Islands, American Samoa, Micronesia, plus Tuskegee Institute in Alabama. All of these institutions operate active extension programs that form the national extension system.

The primary function of the nationwide system of cooperative extension work is out-of-school applied education in agriculture, home economics, community development, 4–H youth programs, and related subjects. This educational work takes research results, technological advancements, and program facts of the Department of Agriculture, the State agricultural colleges and experiment stations, and incorporates them into a program for action. The Extension Service interprets, disseminates, and encourages practical use of knowledge. It transmits information from researchers to individuals and institutions that are able to utilize and apply the research.

The following table summarizes Committee action on the Extension Service.

EXTENSION SERVICE

[In thousands of dollars]

	Fiscal year 1982 appropriation	Fiscal year 1983 budget	House bill	Committee recommendation
Smith-Lever 3(b) and 3(c)	219,376	219,376	230,376	230,376
1890's	12,241	17,602	16,241	16,241
Smith-Lever 3(d):				
Pest management	7,531	7,067	7,531	7,067
Pesticide impact assessment	1,850	1,716	1,716	1,716

EXTENSION SERVICE—Continued

[In thousands of dollars]

	Fiscal year 1982 appropriation	Fiscal year 1983 budget	House bill	Committee recommendation
Smith-Lever 3(d)—Continued				
Farm safety	1,020		1,020	
Urban gardening	3,000		3,000	
Nonpoint source pollution	702			702
Energy (other)	324	285	285	
Food and nutrition education (EFNEP)	60,354	60,354	60,354	60,354
(2) Pilot project for tech transfer			350	
Renewable Resources Extension Act	2,000			4,000
Payments to District of Columbia (other)	983	983	983	983
Federal administration	6,321	4,528	5,428	5,428
Subtotal, Extension Service	315,702	311,911	327,284	326,867
Adjustments:				
SLUC		(246)	-246	-246
Advisory committees		(11)	-11	-11
Total, Extension Service	315,702	311,911	327,027	326,610

The Committee has provided a total of $230,376,000 for payments under the Smith-Lever Act, sections 3 (b) and (c). This is an increase of $11,000,000 over the level provided in fiscal year 1982 and in the budget request and the same amount as provided by the House. Funding for the 1890 Colleges and Tuskegee Institute is included at $16,241,000, the same amount as provided by the House.

For pest management activities, the Committee recommends an appropriation of $7,067,000, the same amount as the budget request. This is $464,000 less than the amount provided in 1982 and by the House.

The Committee does not concur with the action of the House to appropriate $1,020,000 for farm safety and $3,000,000 for urban gardening. Rather, the Committee recommends that these activities be supported by funds available under the appropriation for Smith-Lever 3 (b) and (c).

The Committee recommends restoration of the 1982 funding level for nonpoint source pollution in the amount of $702,000.

The Committee also recommends no appropriation for energy assistance and for two pilot projects for technology transfer proposed by the House. The House appropriated $285,000 and $350,000, respectively, for these two activities. Particularly in the latter instance, the Committee feels that funds should not be made available for new projects in this time of budget constraint.

For food and nutrition education (EFNEP), the Committee concurs with the House recommendation of $60,354,000. This is also the amount provided in 1982 and in the budget request.

The Committee continues to be very concerned about the Nation's

forestry resources, especially the need to develop these resources in order to meet increasing demands for wood products. Consequently, the Committee recommends an appropriation of $4,000,000 for activities carried out under the Renewable Resources Extension Act. This is $2,000,000 more than provided in 1982 and $4,000,000 more than the budget request and the House allowance. The Committee is concerned that the distribution of these funds places a greater emphasis on building broad-based support throughout the States rather than targeting funds in a more limited fashion consistent with the purposes of the act—based on the respective capabilities of their private forests and rangelands for yielding renewable resources and relative needs for such resources. Therefore, the Committee directs the Department to reexamine the current funding formula in light of the Committee's concern and the limited availability of funds, and make the appropriate changes consistent with this concern.

For Federal administration, the Committee concurs with the action of the House in restoring $900,000 to the budget request to provide a total of $5,428,000. The Committee directs that $500,000 of this increase be utilized for the extension functions of the four Rural Development Centers.

The Committee reiterates its conviction concerning the ever increasing need for growth in the agricultural research and education system of the Nation. The Committee is particularly concerned over the projected shortages of graduates in numerous agriculture-related fields who are so necessary to fill the critical need for agricultural expertise and research in the future. The Committee, therefore, will continue to expect the Department to make this concern a high priority in budget decisions and planning activities.

As previously discussed, a new account has been established for standard level user charges (SLUC). Consequently, there has been a reduction in the Extension Service account of $246,000 for SLUC.

Additionally, as previously discussed, a new account has been established for advisory committees. Consequently, there has been a reduction in the Extension Service account of $11,000 for advisory committees.

National Agricultural Library

1982 appropriation	[1] $8,750,000
1983 budget estimate	9,016,000
House allowance	8,849,000
Committee recommendation	8,849,000

[1] Includes $471,000 for Human Nutrition Information Service.

The National Agricultural Library, in cooperation with the Library of Congress and the National Library of Medicine, provides coverage and servicing of worldwide publications in the agricultural, chemical, and biological sciences. It serves all of the Department programs in the Washington metropolitan area, as well as the field installations throughout the country and has the added responsibility of service to the land-grant universities, and the world agricultural science community.

For the National Agricultural Library, the Committee recommends an appropriation of $8,849,000. This is $99,000 more than was provided

for fiscal year 1982, $167,000 less than the budget estimate, and the same as the House allowance.

The Committee concurs with the House directive that $200,000 be used for construction of a new roof for the library facility.

As previously discussed, a new account has been established for standard level user charges (SLUC). Consequently, there has been a reduction in this account of $365,000 for SLUC.

Additionally, as previously discussed, a new account has been established for advisory committees. Consequently, there has been a reduction in this account of $2,000 for advisory committees.

Animal and Plant Health Inspection Service

SALARIES AND EXPENSES

1982 appropriation	[1] $281,967,000
1983 budget estimate	227,533,000
House allowance	266,531,000
Committee recommendation	270,332,000

[1] Includes pay supplemental of $4,585,000.

The Animal and Plant Health Inspection Service conducts programs to protect the animal and plant resources of the Nation from destructive pests and diseases. Two major areas of activity are discussed below.

1. Animal and plant disease and pest control.—Survey, disagnostic, and quarantine activities are carried out to control, eradicate, or prevent the introduction of animal and plant diseases and pests. Control and eradication programs are conducted to combat existing diseases and pests.

2. Other regulatory activities.—The Agency performs other regulatory activities including the development of standards for and the licensing and testing of veterinary biologicals to insure their safety and effectiveness, and the inspection of certain establishments which handle animals intended for research, exhibition, and pet purposes, as defined by law, to insure their humane treatment.

COMMITTEE RECOMMENDATIONS

The following table summarizes the Committee's recommendations for the Animal and Plant Health Inspection Service:

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

[In thousands of dollars]

	Fiscal year 1982 appropriation	Fiscal year 1983 budget	House bill	Committee recommendation
PLANT DISEASE AND PEST CONTROL				
Plant protection:				
Bio-control	3,837	3,540	3,540	3,540
Boll weevil	1,697	1,029	1,029	2,846
Golden nematode	1,007		1,007	1,007
Grasshopper and Morman cricket	1,327		1,327	1,327
Gypsy moth	5,191	673	5,191	5,191

ANIMAL AND PLANT HEALTH INSPECTION SERVICE—Continued

[In thousands of dollars]

	Fiscal year 1982 appropriation	Fiscal year 1983 budget	House bill	Committee recommendation
PLANT DISEASE AND PEST CONTROL—Continued				
Plant protection—Continued				
Imported fire ant	5,915	2,625	5,915	5,915
Japanese beetle	115	121	121	121
Mediterranean fruit fly	8,855	8,275	8,275	8,275
Mexican fruit fly	1,388	1,473	1,473	1,473
Miscellaneous plant diseases and pests	483	.....	483	483
Noxious weeds	789	.....	789	789
Pest detection	3,594	3,916	3,916	3,916
Pink bollworm	2,408	591	2,408	591
Tri-fly in Hawaii (EIS)	.....	.....	200	200
Witchweed	4,723	.....	4,723	4,723
Range caterpillar	.....	.....	.....	160
Total, plant protection	41,329	22,243	40,397	40,557
Agricultural quarantine inspection	44,416	45,336	45,336	45,336
Total, plant disease and pest control	85,745	67,579	85,733	85,893
ANIMAL DISEASE AND PEST CONTROL				
Animal health:				
Animal welfare	4,882	1,509	4,882	4,882
Brucellosis eradication	90,896	59,896	77,796	90,896
Cattle ticks	5,883	3,730	5,883	5,883
Emergency programs	4,436	3,455	3,455	3,455
Foot-and-mouth disease (Darien Gap)	1,972	2,205	2,205	2,205
Horse protection	242	148	148	148
Import-export inspection	6,297	4,725	4,725	4,725
Interstate inspection of livestock	4,709	5,199	5,199	4,709
Scrapie	700	728	728	728
National poultry improvement plan	197	209	209	209
Poultry diseases	731	762	762	762
Pseudorabies	262	266	266	266
Scabies eradication	986	.....	493	.....
Screwworm	46,086	52,740	52,740	46,086
Swine health protection	2,970	3,090	3,090	3,090
Tuberculosis eradication	5,544	4,014	4,014	4,014
Veterinary diagnostics	6,015	6,328	6,328	6,015
Miscellaneous animal diseases	224	233	233	224
Total, animal health	183,032	149,237	173,156	178,297
Veterinary biologics	7,619	8,217	8,217	8,217
Total, animal disease and pest control	190,651	157,454	181,373	186,514

ANIMAL AND PLANT HEALTH INSPECTION SERVICE—Continued

[In thousands of dollars]

	Fiscal year 1982 appropriation	Fiscal year 1983 budget	House bill	Committee recommendation
ANIMAL DISEASE AND PEST CONTROL—Continued				
Contingencies:				
Plant disease and pest control	493	1,250	1,250	500
Animal disease and pest control	493	1,250	1,250	500
Total, Contingencies	986	2,500	2,500	1,000
Subtotal, Salaries and expenses	277,382	227,533	269,606	273,407
Adjustments:				
SLUC		(3,028)	-3,028	-3,028
Advisory committees		(47)	-47	-47
Total, Salaries and expenses	277,382	227,533	266,531	270,332
Buildings and facilities (repair and improvement)	3,000	2,386	2,386	2,386
Total, APHIS	280,382	229,919	268,917	272,718

For the salaries and expenses of the Animal and Plant Health Inspection Service for fiscal year 1983, the Committee recommends an appropriation of $270,332,000. This is $3,801,000 more than the House allowance, $42,799,000 more than the budget estimate, and $11,635,000 less than the appropriation for fiscal year 1982.

The Committee shares the House concern that major reductions made in the budget request for many APHIS programs will be detrimental to the goal of improving animal and plant health. The Committee is convinced that the Department has done an outstanding job in the past in dealing with serious pest and disease problems in plants and animals. However, the Committee is unable to find in any of the Department's hearing testimony or in its explanatory notes compelling justifications for reductions of such magnitude in the APHIS programs.

The Committee is concerned that these reductions may result in insufficient funds to support proven programs of pest and disease control. This situation would, in turn, require a subsequent request for a supplemental appropriation to correct the currently understated budget needs. Additionally, the Committee believes there is a need to protect the investment and progress made to date in the battle against many pests and diseases.

To protect this investment and progress, and to insure to the highest degree possible that more expensive Federal programs will not be required in the future to address even larger problems, the Committee has restored funds for several important programs, and has increased funding for others.

The Committee's position on these matters is confirmed by the results of an assessment sponsored by the Department itself, of the

long-term goals and mission of APHIS. That study indicated that: (1) There are few opportunities for a reduced APHIS role if the Nation is to continue to have an effective system of agricultural protection; (2) among the States, Federal Government, and industry, there is wide satisfaction with the existing system and a reluctance to tamper with it; (3) there are no entire APHIS functions that can be safely transferred from the Federal Government to another entity; and (4) APHIS should neither reorganize nor budget along formal functional lines. The Committee concurs with the position of the House that the results of this study are in line with the views and intent of Congress.

The Committee also concurs with the House position on certain legislative proposals on which the budget request bases projected savings of $3,600,000. These proposals would establish user fees for import-export inspection and for agricultural quarantine inspection. The Committee joins the House in not restoring these funds, but, rather, directs the Department to submit a budget request in a timely manner to continue these activities if the legislative proposals are not enacted.

Boll weevil eradication.—The Committee recommends $2,846,000. This is $1,817,000 more than the budget request and House allowance, and $1,149,000 more than provided in 1982.

A trial program was initiated by Congress to determine the feasibility of eradicating the boll weevil through a joint industry-Government effort in which the producer assumes the major share of the cost. This program has proven successful. The additional $1,817,000 is to be used to expand this effort and is contingent on producers in those States passing a referendum to pay at least 70 percent of the cost of the program.

Range caterpillar.—The Committee recommends $160,000 for range caterpillar control efforts. There was no budget request or House allowance for this program. This Federal share of a Federal-State-private cooperative effort will help address continuing rangeland infestation problems.

Pink bollworm.—The Committee recommends $591,000, the same as the budget request, and $1,817,000 less than the 1982 level and the House allowance. The current pink bollworm program has prevented spread of this pest to the San Joaquin Valley and east of the Mississippi River through the cooperation of APHIS and the affected States. The reduction of $1,817,000 in the APHIS program is based on the fact that the States have the capability of running the program. The remaining funds are to operate the facility which produces moth eggs for contract rearing. With States running the program, APHIS can discontinue regulatory, control, and survey work.

Brucellosis eradication.—The Committee continues its support of the brucellosis eradication program at an adequately funded level to protect the investment and progress made to date in the eradication of this disease. Further, the Committee is concerned that any significant reduction in Federal funding for this program may lead to widespread outbreaks of brucellosis in the future. Consequently, the Committee recommends an appropriation for brucellosis eradication of $90,896,000, the same

amount as provided in 1982. This is $13,100,000 more than provided in the House bill and $31,000,000 more than the budget request.

The Committee directs the Department to submit in its explanatory notes accompanying the fiscal year 1984 budget request a detailed explanation, by State, of the distribution of funds for this program, as well as an accounting of how such funds were actually spent.

Cattle ticks.—The Committee recommends $5,883,000 for cattle tick eradication, the same amount as provided in the House bill and in 1982. This is $2,153,000 more than the budget request.

The Committee has noted the Department's intention to turn over the cattle fever tick eradication program in Puerto Rico to the Commonwealth, but to maintain the Federal quarantine. The Committee is impressed with the progress that has been made in eradication of the cattle fever tick, and urges the Department to continue to carefully monitor the progress of the Commonwealth's ongoing efforts in this area. The Committee also expects that the quarantine will remain in place until the cattle fever tick is eliminated.

Scabies eradication.—The Committee does not concur with the House recommendation of an appropriation for scabies eradication in the amount of $493,000.

Screwworm.—The Committee recommends for the screwworm program an appropriation of $46,086,000, the same amount as provided in 1982. This is $6,654,000 less than the budget request and the House allowance.

Veterinary diagnostics.—For this program, the Committee recommends $6,015,000, the same amount as provided in 1982. This is $313,000 less than the budget request and the House allowance.

Miscellaneous animal diseases.—The Committee recommends $224,000 for this program. This is the same amount as provided in 1982 and $9,000 less than in the budget request and the House allowance.

Contingencies.—The Committee recommends $500,000 for plant disease and pest control contingencies and $500,000 for animal disease and pest control contingencies, for a total of $1,000,000. This total is $1,500,000 less than the amount in the budget request and the House bill and $14,000 more than provided in 1982.

The Committee notes the potential for grasshopper infestation on Federal and non-Federal lands. The Department is directed to monitor this potential very closely, and, should an infestation occur, to initiate a control program from funds available in this provision. The Committee further directs the Department to review the memorandum of understanding between APHIS and the Forest Service and the Department of the Interior, and to report the results of that review to the appropriate committees of Congress.

Standard level user charges (SLUC).—As previously discussed, a new account has been established for standard level user charges (SLUC). Consequently, there has been a reduction in the APHIS account of $3,028,000 for SLUC.

Advisory committees.—Additionally, as previously discussed, a new account has been established for advisory committees. Consequently,

there has been a reduction in the APHIS account of $47,000 for advisory committees.

BUILDINGS AND FACILITIES

1982 appropriation	$3,000,000
1983 budget estimate	2,386,000
House allowance	2,386,000
Committee recommendation	2,386,000

For buildings and facilities of the Animal and Plant Health Inspection Service for 1983, the Committee recommends an appropriation of $2,386,000. This is the same amount as the House allowance and the budget estimate, and $614,000 less than provided in 1982.

The funding provided is the minimum necessary for the Animal and Plant Health Inspection Service to maintain its current buildings.

The Committee recommends that this entire account remain available until expended since construction projects, even relatively minor alterations, often require planning and preconstruction preparation which exceed a year's duration.

Food Safety and Inspection Service

1982 appropriation	[1] $333,272,000
1983 budget estimate	319,876,000
House allowance	315,557,000
Committee recommendation	315,557,000

[1] Includes $15,022,000 for activities transferred to the Agricultural Marketing Service. Includes pay supplemental of $10,022,000.

The major objective of the agency is to insure that the Nation's commercial supply of meat and poultry products is safe, wholesome, and correctly labeled and packaged, as required by the Federal Meat Inspection Act and the Poultry Products Inspection Act.

The meat and poultry inspection program of the Food Safety and Inspection Service provides inplant inspection of all domestic plants preparing meat or poultry products for sale or distribution in commerce; reviews foreign inspection systems and establishments that prepare meat or poultry products for export to the United States; and provides technical and financial assistance to States which maintain meat and poultry inspection programs equal to Federal inspection.

For the Food Safety and Inspection Service for fiscal year 1983, the Committee recommends an appropriation of $315,557,000. This is $17,715,000 less than was provided in 1982, $4,319,000 less than the budget estimate, and the same as the amount provided in the House bill.

As previously discussed, a new account has been established for standard level user charges (SLUC). Consequently, there has been a reduction in this account of $4,294,000 for SLUC.

Additionally, as previously discussed, a new account has been established for advisory committees. Consequently, there has been a reduction in this account of $25,000 for advisory committees.

As noted in the House report, the budget request was based upon expected savings of $2,000,000, which would result from a legislative pro-

posal to allow discretionary inspection of processing plants. The Committee's recommendation does not restore this amount. If this legislative proposal is not approved, the Committee will expect that the continuous inspection of processing plants will be maintained and that supplemental funding for FSIS may become necessary at a later date.

The Committee concurs with the House directive that the 27 area offices and the Fort Worth Training Center, scheduled for closing by FSIS, remain open and operational. However, the Committee does not concur with the House directive that a new area office be established in the State of Michigan.

Economic Research Service

1982 appropriation	$39,360,000
1983 budget estimate	40,584,000
House allowance	37,251,000
Committee recommendation	38,251,000

The Economic Research Service was established on September 30, 1981, by separating the functions previously performed by the Economics and Statistics Service into two new program agencies, the Economic Research Service and the Statistical Reporting Service. Management support services for the agency are carried out by a new staff unit, the economics management staff. The agency's responsibility is authorized principally by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621–1627).

The principal function of ERS is to serve the critical need for timely and reliable agricultural economic information (research, forecasts of major agricultural economic indicators, policy analysis, and data) that addresses the multitude of economic concerns and the decisionmaking needs of farmers, extension workers, private analysts, processors, marketers, input suppliers, and policy officials in the Federal Government, Congress, and State and local governments.

For the Economic Research Service, the Committee recommends an appropriation of $38,251,000. This is $1,109,000 less than was appropriated for fiscal year 1982, $2,333,000 less than the budget estimate, and $1,000,000 more than the House allowance. This restoration is for increased operating costs the Committee has been advised are needed.

As previously discussed, a new account has been established for standard level user charges (SLUC). Consequently, there has been a reduction in this account of $2,253,000 for SLUC.

Additionally, as previously discussed, a new account has been established for advisory committees. Consequently, there has been a reduction in this account of $80,000 for advisory committees.

Statistical Reporting Service

1982 appropriation	$51,636,000
1983 budget estimate	53,694,000
House allowance	50,823,000
Committee recommendation	51,185,000

The primary responsibilities of the Statistical Reporting Service are the development and dissemination of national and State agricultural

statistics, statistical research, and coordination of the Department's statistical programs as authorized under the Agricultural Marketing Act of 1946 (7 U.S.C. 1621–1627).

SRS programs are conducted in the following major areas.

Crop and livestock estimates.—This area includes estimates of production, supply, price, and other aspects of the agricultural economy; conduct of enumerative and objective measurement surveys; preparation and issuance of the official national and State estimates and reports of the Department relating to acreages, types and production of farm crops, number of livestock on farms, livestock products, stocks of agricultural commodities, value and utilization of farm products, prices received and paid by farmers, and other subjects as required.

Statistical research and service.—This area includes review, clearance, coordination, and improvement of statistics in the Department, and research on and development of improved statistical techniques used in gathering and evaluating statistical data, including use of satellite data.

Work performed for others.—Services are performed for other Federal and State agencies on a reimbursable or advance payment basis. These services consist primarily of conducting surveys and performing related statistical data collection activities. They also include technical consultation and support and technical assistance programs abroad under participating agency service agreements.

For the Statistical Reporting Service, the Committee recommends an appropriation of $51,185,000. This is $451,000 less than the level provided in fiscal year 1982, $2,509,000 less than the budget estimate, and $362,000 more than the House allowance.

As previously discussed, a new account has been established for standard level user charges (SLUC). Consequently, there has been a reduction in this account of $2,171,000 for SLUC.

The Committee directs that $537,000 of the amount appropriated be used for the publication of the following reports: Catfish; mink; cold storage; dairy products; eggs, chickens, and turkeys; livestock slaughter; and milk production. The Committee will expect the Commodity Credit Corporation (CCC) to continue funding the publication of the sugar reports and honey report.

The Committee also recommends $300,000 to support the SRS share of LANDSAT usage.

Agricultural Cooperative Service

1982 appropriation	$4,639,000
1983 budget estimate	3,683,000
House allowance	3,999,000
Committee recommendation	5,000,000

The Agricultural Cooperative Service (ACS) has assigned to it functions under the Cooperative Marketing Act of 1926 and functions that relate to the economic and marketing aspects of farmer cooperatives under the Agricultural Marketing Act of 1946. Under the Cooperative Marketing Act, ACS is authorized to: (1) acquire, analyze and disseminate economic, statistical, and historical information regarding the progress, organization, and business methods of cooperative associations in

the United States and foreign countries; (2) conduct studies of the economic, legal, financial, social, and other phases of cooperation, including analyses of the organization, operation, financial, and merchandising problems of cooperative associations; (3) make surveys and analyses of the accounts and business practices of representative cooperative associations; (4) confer and advise with committees or groups of producers who want to form a cooperative association and to make an economic analysis of the facts relevant to setting up such an association; (5) promote the knowledge of cooperative principles and practices and to cooperate in promoting such knowledge to others; and (6) make special studies to acquire and disseminate such information.

Under the Agricultural Marketing Act, ACS is authorized to carry out responsibilities relating to the marketing aspects of cooperatives, including economic research and analysis and the application of economic research findings. In addition, ACS is authorized to work with institutions and international organizations on subjects relating to cooperatives.

ACS serves as the focal point of national activity involving agricultural cooperatives. The purpose of ACS is to help farmers help themselves by providing the assistance necessary to support and improve existing cooperatives and to help farmers organize new cooperatives.

For the Agricultural Cooperative Service for the fiscal year 1983, the Committee recommends an appropriation of $5,000,000. This is $361,000 more than the amount provided for fiscal year 1982, $1,317,000 more than the budget estimate, and $1,001,000 more than the House allowance.

The Committee believes agricultural cooperatives offer one of the best opportunities for improving the economic status of our Nation's farmers. Recently, however, many agricultural cooperatives have experienced severe economic stress due to a myriad of reasons. The Agricultural Cooperative Service is in a unique position to assist cooperative leaders in improving cooperatives financial structure and in adjusting their financing methods to changing economic and financial conditions. The Committee directs that a portion of the increase provided be utilized to develop criteria cooperative managers can utilize in evaluating the financial performance of their cooperatives and to extend those criteria to the cooperative community.

Increased direct international trade by farmer cooperatives will directly result in farmers gaining a greater share of the benefits from the sale of agricultural products throughout the world. The Committee directs that within the funds provided the Agricultural Cooperative Service increase its efforts to assist and encourage agricultural cooperatives in international marketing. The Agricultural Cooperative Service should seek to assist the Bank for Cooperatives of the Federal farm credit system maximize the authority recently provided it for the financing of agricultural exports.

The Committee also concurs with House action to earmark $139,000 in this account for the opening of an Agricultural Cooperative Office in Hawaii.

As previously discussed, a new account has been established for standard level user charges (SLUC). Consequently, there has been a reduction in this account of $159,000 for SLUC.

World Agricultural Outlook Board

1982 appropriation	[1] $1,491,000
1983 budget estimate	1,535,000
House allowance	1,353,000
Committee recommendation	1,453,000

[1] Includes pay supplemental of $69,000.

The World Agricultural Outlook Board serves as the single focal point for the Nation's economic intelligence related to domestic and international food and agriculture with the responsibility for coordinating and reviewing for clearance all commodity and aggregate agricultural and food-related data used to develop outlook and situation material within the Department of Agriculture. The Board's primary objective is to improve the consistency, objectivity, and reliability of outlook and situation material being disseminated to the public.

The Board's functions include information dissemination; market surveillance; coordination of international and domestic agricultural developments; coordination of weather, climate and remote sensing research; and forecasting techniques.

For the World Agricultural Outlook Board for fiscal year 1983, the Committee recommends an appropriation of $1,453,000. This is $38,000 less than was provided in 1982, $82,000 less than the budget estimate, and $100,000 more than the amount provided in the House bill. This additional amount over the House figure is included by the Committee to cover the costs of LANDSAT remote sensing data.

As previously discussed, a new account has been established for standard level user charges (SLUC). Consequently, there has been a reduction in this account of $82,000 for SLUC.

Agricultural Marketing Service

MARKETING SERVICES

1982 appropriation	[1] $24,011,000
1983 budget estimate	31,370,000
House allowance	31,912,000
Committee recommendation	30,412,000

[1] Excludes $15,022,000 for activities transferred from Food Safety and Inspection Service and includes pay supplemental of $800,000.

The Agricultural Marketing Service, through its marketing and regulatory programs, promotes the orderly and efficient marketing and effective distribution of products from the Nation's farms. Services continue to expand and become more complex as the volume of agricultural commodities increases, as a greater number of new processed commodities are developed, and as the market structure undergoes extensive changes. Marketing changes include increased concentration in food retailing, direct buying, decentralization of processing, growth of interregional competition, vertical integration, and contract farming. The in-

dividual activities include a market news service; inspection, grading, and standardization services; market protection and promotion activities; wholesale market development; and market supervision and assistance. The AMS also provides program related services for Federal, State, and private agencies on a reimbursable basis.

For the Agricultural Marketing Service, Marketing Services, for fiscal year 1983, the Committee recommends an appropriation of $30,412,000. This is $6,401,000 more than was provided in 1982, $958,000 less than the budget estimate, and $1,500,000 less than the House allowance.

This reduction below the House allowance reflects the Committee's disagreement with the restoration by the House of $1,500,000 for the wholesale market development program.

As previously discussed, a new account has been established for standard level user charges (SLUC). Consequently, there has been a reduction in this account of $901,000 for SLUC.

Additionally, as previously discussed, a new account has been established for advisory committees. Consequently, there has been a reduction in this account of $57,000 for advisory committees.

To provide for greater efficiency in the delivery of market news information, the Committee expects AMS to make available up to $100,000 for the computerization and transmission of market news for horticultural crops through the AG–Net system operated by Land Grant Universities in Nebraska, Washington, Montana, Wyoming, North Dakota, and South Dakota, or a similar system.

AMS has announced that as a cost-saving measure ($558,000 in fiscal year 1983), five Federal Seed Act laboratories will be consolidated into a larger laboratory at Beltsville, Md. The Committee is concerned that this plan may result in unnecessary delays in seed testing for seed dealers and others who must now ship seed great distances for testing services. The Committee will expect AMS to carefully monitor the turnaround time for testing services and how it compares with the service previously provided by the regional labs. Should undue delays in service arise, the Committee will expect prompt corrective action, which may include the reopening of the regional labs. The Committee expects to be kept informed of any substantial service-related complaints which arise from this consolidation.

LIMITATION ON ADMINISTRATIVE EXPENSES

1982 appropriation	($23,000,000)
1983 budget estimate	.....
House allowance	(30,910,000)
Committee recommendation	(30,910,000)

The Omnibus Budget Reconciliation Act of 1981 (Public Law 97–35) initiated a system of user fees for the cost of grading and classing tobacco, cotton, naval stores, and for warehouse examination. These activities, authorized under the U.S. Cotton Standards Act, the Tobacco Inspection Act, and Naval Stores Act, the U.S. Warehouse Act, and other provisions of law are designed to facilitate commerce and to protect participants in the industry.

For fiscal year 1983, the Committee recommends a limitation on obligations from user fees for these activities of $30,910,000. This is the same as the House allowance. No limitation was requested by the administration.

The Committee notes that the budget presumes the Commodity Credit Corporation will continue to pay at least one-half of the cost of warehouse examinations. The Committee concurs with this and will expect to be informed prior to any change in this policy.

In last year's report, the Committee directed AMS to develop a predictive formula for warehouse bankruptcies. Work on the formula is now almost complete and the Committee will expect to be kept informed of the implementation and use of the formula in the warehouse inspection program.

The Committee notes the requirement that warehouses provide additional financial data and that this has been used to justify a reduction in the frequency of warehouse inspections. In its review of the inspection program, the General Accounting Office recommended that warehouses submit CPA audited financial statements and that inspections be expanded to include the merchandising activities of warehouses in order to provide additional protection to the Government and individuals with grain stored in these warehouses against the possiblity of a warehouse bankruptcy. Neither of these recommendations has been implemented. Until the Committee can be assured that circumstances have changed substantially and that increased protection is actually being achieved, the Committee will expect the level of inspections to at least remain the same.

FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY (SECTION 32)

Under section 32 of the Act of August 24, 1935, as amended, 30 percent of customs receipts collected during each calendar year are automatically appropriated for expanding outlets for nonbasic commodities. Most of the funds are transferred to the Food and Nutrition Service and are dedicated to commodity distribution activities under section 6 of the National School Lunch Act and other authorities specified in the child nutrition appropriation. If surpluses of nonbasic commodities not presently foreseen should develop, the unused section 32 balance is available for surplus removal.

The Committee recommends a program that will provide for an unobligated balance of approximately $220,036,488 at the end of fiscal year 1983. The Committee recommends $5,670,000 for the marketing agreements and orders program. This is the same as the House allowance and the amount provided in 1982, and $941,000 more than the budget estimate.

Office of Transportation

1982 appropriation	$2,400,000
1983 budget estimate	2,398,000
House allowance	2,367,000
Committee recommendation	2,367,000

The Office of Transportation is responsible for programs that will enhance and improve the transportation system in the agricultural and rural areas of the United States. The Office provides technical assistance to producers, producer groups and rural communities; provides technical information to carriers and shippers; conducts economic analysis and technical research and development in transportation; and coordinates transportation programs within USDA.

For the Office of Transportation for fiscal year 1983, the Committee recommends an appropriation of $2,367,000. This is $33,000 less than was provided in 1982, $31,000 less than the budget estimate, and the same amount as provided in the House bill.

As previously discussed, a new account has been established for standard level user charges (SLUC). Consequently, there has been a reduction in this account of $31,000 for SLUC. This represents the total reduction in this account.

Payments to States and Possessions

1982 appropriation	$1,000,000
1983 budget estimate	.....
House allowance	1,000,000
Committee recommendation	1,000,000

Payments are made on a matching basis to State marketing agencies for carrying out specifically approved marketing service programs designed to bring about improved marketing. Under this activity, marketing specialists have worked with farmers, marketing firms, and agencies in solving marketing problems and in utilizing marketing research results. The program is known as the Federal-State marketing improvement program.

For payments to States and possessions for fiscal year 1983, the Committee recommends $1,000,000. This is the same amount as provided in 1982, and the same amount provided in the House bill. No appropriation was requested by the administration.

Packers and Stockyards Administration

1982 appropriation	[1] $9,183,000
1983 budget estimate	8,564,000
House allowance	8,268,000
Committee recommendation	8,668,000

[1] Includes pay supplemental of $377,000.

This agency administers the Packers and Stockyards Act of 1921, as amended, which is designed to assure free, open, and fair competition and fair practices in the marketing of livestock, live poultry, meat and dressed poultry. It protects consumers against unfair business practices in the marketing of meat and poultry. It protects members of the livestock marketing and meat industries from unfair, deceptive, discriminatory, and monopolistic practices of competitors.

Investigations are conducted to determine that the operations of packers and retail organizations do not involve the proscribed malpractices. Through the use of required annual and special reports, as well as audits, the financial stability of these organizations is determined in order to guard against loss to persons and firms dealing with them. When violations or insolvencies are established, procedures to obtain cease and desist orders are initiated in order to prevent future violations.

Operations of stockyards, market agencies, and dealers are investigated and audited to assure that their business practices are fair and in free open competition; that they are financially sound; and that adequate services and facilities are furnished by stockyards and market agencies at reasonable and nondiscriminatory rates and charges.

For the Packers and Stockyards Administration, the Committee recommends an appropriation of $8,668,000. This is $515,000 less than provided in 1982, $104,000 more than the budget estimate, and $400,000 more than the amount provided in the House bill.

The restoration of $400,000 is recommended to offset a proposal, that was not put into effect, to eliminate bonding dealers and order buyers that purchase less than 500,000 dollars' worth of livestock annually.

As previously discussed, a new account has been established for standard level user charges (SLUC). Consequently, there has been a reduction in this account of $296,000 for SLUC.

Farm Income Stabilization

Agricultural Stabilization and Conservation Service

salaries and expenses

	Appropriation	Transfer from CCC	Total
1982 appropriation[1]	$63,077,000	($314,681,000)	($377,758,000)
1983 budget estimate	62,046,000	(314,818,000)	(376,864,000)
House allowance	54,699,000	(314,818,000)	(369,517,000)
Committee recommendation	55,962,000	(314,818,000)	(370,780,000)

[1] Includes $1,077,000 and $5,681,000 to be transferred from the Commodity Credit Corporation for pay cost supplemental.

The account "Salaries and expenses, Agricultural Stabilization and Conservation Service" funds the administrative expenses of programs administered by, and the functions assigned to, ASCS. The funds consist of direct appropriations, transfers from the Commodity Credit Corporation (CCC), and miscellaneous advances from other sources.

Activities carried out under this program include program formulation and appraisal, operation of supply adjustment, conservation, and support programs, and inventory management and merchandising.

ASCS serves as the staff support activity for farm programs operated through the Commodity Credit Corporation.

For salaries and expenses of the Agricultural Stabilization and Conservation Service for fiscal year 1983, the Committee recommends $370,780,000. This is $6,978,000 less than was provided in 1982, $6,084,-

000 less than the budget estimate, and $1,263,000 more than was provided in the House bill. Of this total funding, $55,962,000 is provided in the form of a direct appropriation, and $314,818,000 is provided by transfer from the Commodity Credit Corporation.

The Committee restores $1,263,000 to the House allocation to adequately fund salaries associated with administration of the agricultural conservation program, the forestry incentives program, and the water bank program.

As previously discussed, a new account has been established for standard level user charges (SLUC). Consequently, there has been a reduction in this account of $7,273,000 for SLUC.

Additionally, as previously discussed, a new account has been established for advisory committees. Consequently, there has been a reduction in this account of $74,000 for advisory committees.

Dairy Indemnity Program

1982 appropriation	$176,000
1983 budget estimate	
House allowance	7,000,000
Committee recommendation	7,000,000

Under this program, the Department makes indemnification payments to dairy farmers and manufacturers of dairy products. This includes payments to dairy farmers who were directed to remove their milk from commercial markets, because it contained residues of chemicals registered and approved for use by the Federal Government.

For the dairy indemnity program for fiscal year 1983, the Committee recommends an appropriation of $7,000,000. This is $6,824,000 more than provided in 1982 and is the same as the amount provided in the House bill. No appropriation was requested by the administration.

It has come to the Committee's attention that dairy farmers in the State of Hawaii continue to suffer losses because of the contamination of their milk by the pesticide heptachlor. This contamination, which occurred because farmers unknowingly fed their animals tainted cattle feed, was detected in March 1982. At that time, most of the milk on the Island of Oahu was declared unfit for human consumption and withheld from commercial markets. The affected dairy herds are gradually coming back into production, but scientific evidence indicates that some of the dairy cows will continue to produce tainted milk until December 1982. The State of Hawaii's Milk Control Division estimates that milk producers and processors could lose a total of up to $8,613,000 by the time all of Oahu's milk is declared safe for human consumption.

During its consideration of the supplemental appropriations bills for fiscal year 1982, the Committee did not recommend an appropriation under the Dairy Indemnity Program, because questions regarding liability and the amount of the potential indemnity had not yet been resolved by the Department of Agriculture. The Committee takes note of the fact that the Department has made a determination that dairy farmers in Hawaii are eligible for payments under this program. The Committee is sympathetic with their need and directs the Department to utilize all available funds and to provide all possible assistance in addressing this contamination problem.

CORPORATIONS

FEDERAL CROP INSURANCE CORPORATION

ADMINISTRATIVE AND OPERATING EXPENSES

1982 appropriation	$117,600,000
1983 budget estimate	293,703,000
House allowance	262,140,000
Committee recommendation	235,200,000

The Federal Crop Insurance Corporation, a wholly owned Government corporation, was created on February 16, 1938 (7 U.S.C. 1501–1520), to carry out the provisions of the Federal Crop Insurance Act. The purpose of the Corporation is to promote the national welfare by improving the economic stability of agriculture through a sound system of crop insurance.

The Federal Crop Insurance Corporation provides a cost-sharing insurance program for agricultural producers to protect their production investment against essentially all unavoidable risks. The expanding crop insurance program constitutes a joint effort by the private insurance industry and the Government. The private insurance companies and agents are being utilized in the delivery of the program to the farmers.

The Federal crop insurance program comprises the following major activities: (1) underwriting, actuarial, and program development; (2) marketing and collections; and (3) contract servicing and claims.

Crop insurance offered to agricultural producers by the Corporation provides protection from losses caused by natural hazards, such as insect and wildlife damage, plant diseases, fire, drought, flood, wind, and other weather conditions. It does not indemnify producers for losses resulting from negligence or failure to observe good farming practices.

The crop insurance program was extensively revised by the Federal Crop Insurance Act of 1980. The act altered the funding mechanism requiring that all administrative expenses be derived from appropriations. Previously, these expenses were provided by a combination of appropriations and transfers from the FCIC fund. The new act also changed the policy objectives for the program and the method by which the objectives would be achieved.

For administrative and operating expenses of the Federal Crop Insurance Corporation for fiscal year 1983, the Committee recommends an appropriation of $235,200,000. This is $117,600,000 more than was provided in 1982, $58,503,000 less than the budget estimate, and $26,940,000 less than the amount provided in the House bill.

The Committee feels that lower-than-projected participation rates justify the basic reduction in this account. Further, the Committee notes that a 100-percent increase in appropriations in 1 year, as provided in the Committee's recommendation, is, indeed, a substantial one. Thus, the Committee believes that its recommendation will more than adequately fund FCIC's administrative and operating expenses in fiscal year 1983.

The Committee will expect FCIC to provide monthly reports on participation rates and cancellation rates, as well as any pertinent changes

in marketing or reinsurance contracts and any significant changes in administrative procedures which may impact on the cost of the Federal crop insurance program.

The Committee does not concur with the House earmarking of $15,000 for the development of specific crop insurance coverage in certain counties in Oklahoma.

As previously discussed, a new account has been established for standard level user charges (SLUC). Consequently, there has been a reduction in this account of $1,513,000 for SLUC.

Additionally, as previously discussed, a new account has been established for advisory committees. Consequently, there has been a reduction in this account of $50,000 for advisory committees.

SUBSCRIPTION TO CAPITAL STOCK

1982 appropriation	$250,000,000
1983 budget estimate	250,000,000
House allowance	200,000,000
Committee recommendation	150,000,000

The Federal Crop Insurance Act of 1980, approved September 26, 1980, authorized the capitalization of the Federal Crop Insurance Corporation up to $500,000,000. Under provisions of the new act, the Secretary of the Treasury can purchase up to $500,000,000 of capital stock issued by the Corporation. Issuance of this stock would provide sufficient working capital for the Corporation to meet the indemnity claims of its insured agricultural producers.

For subscription to capital stock, the Committee recommends $150,000,000. This is $100,000,000 less than the amount provided in 1982, $100,000,000 less than the budget estimate, and $50,000,000 less than the House allowance.

FCIC FUND

1982 appropriation	$57,456,000
1983 budget estimate	173,233,000
House allowance	143,233,000
Committee recommendation	143,233,000

The Federal Crop Insurance Act of 1980 authorizes the payment of a Federal subsidy of up to 30 percent of the adjusted insurance premium paid by agricultural producers participating in the program. Subsidies will be paid by the Corporation based upon 30 percent of each producer's premium (reduced, where applicable, for hail and fire exclusion or State agency subsidy) on any coverage under the Corporation's policy of insurance of up to a maximum of 65 percent of the recorded or appraised average yield, as adjusted. This Federal subsidy reduces the participating producers' cost of insuring against loss and encourages the broadest possible participation of agricultural producers in the program.

The Committee recommends an appropriation of $143,233,000 for fiscal year 1983. This is $85,777,000 more than provided in 1982, $30,000,000 less than the budget estimate, and the same amount as provided in the House bill.

The Committee agrees with the action of the House in rejecting language proposed by the Office of Management and Budget to make this account a permanent, indefinite appropriation.

COMMODITY CREDIT CORPORATION

The principal operations conducted by the Commodity Credit Corporation are support programs for agricultural commodites, including the storage, handling, and disposition of commodities acquired under the programs; set-aside or acreage reduction, deficiency, disaster, and/or diversion payment programs for feed grains, wheat, rice, and cotton, and special activities, such as those under the Agricultural Trade Development and Assistance Act of 1954, as amended (Public Law 480), which are financed by appropriations authorized by statutes providing for the activities. Under section 4(a) of the Food for Peace Act of 1966, as amended, CCC may finance short-term export credit sales on credit terms not to exceed 3 years under the export credit sales program. The Corporation is also authorized by section 4(b) of the Food for Peace Act of 1966, as amended, to finance intermediate-term export credit sales in excess of 3 years, but not more than 10 years. The Corporation is further authorized under its charter authority to enter into export guarantee financing arrangements with respect to exported commodities.

Management of the Corporation is vested in a board of directors, subject to the general supervision and direction of the Secretary of Agriculture who is an ex officio director and chairman of the board. The board consists of seven members, in addition to the Secretary, who are appointed by the President of the United States by and with the advice and consent of the Senate.

The activities of the Corporation are carried out mainly by the personnel and through the facilities of the Agricultural Stabilization and Conservation Service (ASCS) and the Agricultural Stabilization and Conservation (ASC) State and county committees. The Foreign Agricultural Service–General Sales Manager, other agencies and offices of the Department and commercial agents are also used to carry out certain phases of the Corporation's activities.

The Corporation's capital stock of $100,000,000 is held by the United States. Under present law up to $25,000,000,000 may be borrowed from the U.S. Treasury to finance operations. The Corporation reserves a sufficient amount of the borrowing authority to purchase at any time all loans and other obligations held by financial institutions under the Corporation's programs.

REIMBURSEMENT FOR NET REALIZED LOSSES

1982 appropriation [1]	$7,043,229,000
1983 budget estimate	3,783,244,000
House allowance	3,783,244,000
Committee recommendation	3,783,244,000

[1] Includes an increase of $5,000,000,000 to reimburse the Commodity Credit Corporation for unreimbursed realized losses, as directed in Public Law 97–147, passed by the Congress on February 15, 1982.

For reimbursement for net realized losses, the Committee recom-

mends an appropriation of $3,783,244,000. This is $3,259,985,000 less than the amount provided in 1982, the same amount as the budget estimate, and the same amount as provided by the House.

The Committee also concurs with the action of the House in rejecting language proposed by the Office of Management and Budget to make this account a permanent, indefinite appropriation.

The Committee wishes to emphasize the continuing importance of CCC's role as the source of funds to stabilize, support, and protect farm income and prices; to help maintain balanced and adequate supplies of agricultural products; and to help promote exports through various export credit programs.

The current depressed price situation in agriculture is placing particularly heavy demands on the funds of the Corporation through increased loan activity and higher deficiency payments. The Committee believes it is essential that sufficient funds be made available for CCC to meet its program responsibilities as required by law.

DIRECT LOAN LEVELS

The Committee concurs with the directive of the House that not less than $500,000,000 in direct export credit loans be made by the Commodity Credit Corporation during fiscal year 1983. The Committee believes that an accelerated export program is critical to a sound domestic agricultural economy.

TITLE II—RURAL DEVELOPMENT AND ASSISTANCE PROGRAMS

RURAL DEVELOPMENT ASSISTANCE

OFFICE OF RURAL DEVELOPMENT POLICY

1982 appropriation	(1)
1983 budget estimate	$2,501,000
House bill	2,142,000
Committee recommendation	2,000,000

[1] Does not include a transfer of $1,875,000 from Farmers Home Administration.

The Office of Rural Development Policy (ORDP) was established by Secretary's memorandum No. 1020-3, which transferred the Department's rural development policy function from the Farmers Home Administration (FmHA) to the Director, Office of Rural Development Policy.

The primary responsibility of the new Office is expressed in sections 603 and 607 of the Rural Development Act of 1972, as amended by the Rural Development Policy Act of 1980, which directs that the Secretary of Agriculture assume responsibility for leadership and coordination of a nationwide rural development program utilizing the resources of all Federal departments and agencies in coordination with State and local government rural development programs. The means specified in the amendment by which the Secretary will develop and implement this nationwide rural development program is the annual preparation and implementation of a national rural development strategy for: (a) identifying emerging rural issues and needs on an ongoing basis; (b) strengthening the State and local government role in rural development; (c) developing and implementing policy guidelines that can provide sound government program direction for service to rural America; and (d) encouraging the private sector to expand their role in rural development.

For the Office of Rural Development Policy, the Committee recommends an appropriation of $2,000,000. This is $501,000 less than the budget request, $142,000 less than the amount provided in the House bill, and $125,000 more than was available for ORDP in fiscal year 1982. In 1982, the functions of the Office were financed through the transfer of funds from the Farmers Home Administration's appropriation for salaries and expenses.

As previously discussed, a new account has been established for standard level user charges (SLUC). Consequently, there has been a reduction in this account of $69,000 for SLUC.

Additionally, as previously discussed, a new account has been established for advisory committees. Consequently, there has been a reduction in this account of $40,000 for advisory committees.

The Committee will expect to be kept fully informed of the progress on the development of a nationwide rural development strategy, as well as ORDP's findings on emerging rural issues which the Congress needs to address.

Farmers Home Administration

The Farmers Home Administration provides credit for those in rural America who are unable to get credit from other sources at reasonable rates and terms. The agency also administers several grant programs.

The agency operates principally under the Consolidated Farm and Rural Development Act (7 U.S.C. 1921) and title V of the Housing Act of 1949 (42 U.S.C. 1471).

The Farmers Home Administration makes loans from funds borrowed from the U.S. Treasury and from sales of certificates of beneficial ownership to the Federal Financing Bank (FFB).

The following table reflects the loan and grant program levels of programs administered by the agency in 1982, proposed in the budget for 1983, reflected in the House bill, and recommended by the Committee:

LOAN AND GRANT LEVELS

[In millions of dollars]

	1982 level	1983 budget	House bill	Committee recommendation
TYPE OF LOAN				
Rural housing insurance fund:				
Low-income housing loans (sec. 502)	2,300.0	900.0	2,300.0	2,300.0
Moderate-income housing (insured)	430.0	.....	.....	130.0
Rural housing site development (sec. 524)	5.0	2.0	2.0	2.0
Rural rental housing (sec. 515)	940.0	200.0	940.0	940.0
Very low-income housing repair (sec. 504)	24.0	24.0	24.0	24.0
Domestic farm labor (sec. 514)	25.6	19.0	19.0	19.0
Memorandum: (Rental assistance)				
Subtotal, rural housing insurance fund	3,724.6	1,145.0	3,285.0	3,415.0
Agricultural credit insurance fund:				
Farm ownership (insured)	700.0	700.0	700.0	700.0
Farm ownership (guaranteed)	125.0	75.0	75.0	75.0
Farm operating (insured)	1,325.0	1,460.0	1,460.0	1,460.0
Farm operating (guaranteed)	50.0	50.0	50.0	50.0
Soil and water (insured)	54.5	25.0	47.1	25.0
Soil and water (guaranteed)	6.0	6.0	6.0	6.0
Grazing	4.8	.....	.....	.....

LOAN AND GRANT LEVELS—Continued

[In millions of dollars]

	1982 level	1983 budget	House bill	Committee recommendation
TYPE OF LOAN—Continued				
Agricultural credit insurance fund—Continued				
Indian land acquisition	11.9	12.0	12.0	12.0
Recreation	2.4	.....	.....	.....
Soil conservation	30.0	.....	30.0	30.0
Subtotal, agricultural credit insurance fund	2,309.6	2,328.0	2,380.1	2,358.0
Rural development insurance fund:				
Water and waste disposal	375.0	300.0	375.0	300.0
Community facility loans	130.0	130.0	130.0	130.0
Industrial facility loans	300.0	.....	300.0	350.0
Alcohol production facilities loans	250.0	.....	.....	.....
Subtotal, rural development insurance fund	1,055.0	430.0	805.0	780.0
TYPE OF GRANT				
Water and waste disposal	125.0	120.0	125.0	125.0
Farm labor housing	13.75	12.5	.....	10.0
Mutual and self-help housing	3.95	.....	5.0	15.0
Home repair (sec. 504)	15.0	12.5	12.5	12.5
Rural community fire protection	3.25	.....	3.25	3.25
Compensation for construction defects	2.0	2.0	2.0	2.0
Rural rental assistance payments	(398.0)	185.0	(73.75)	(173.75)

RURAL HOUSING INSURANCE FUND

The Rural Housing Insurance Fund was established under the authority contained in section 1003(a) of the Housing and Urban Development Act of 1965 (Public Law 89–117), approved August 10, 1965. Public Law 89–117 authorized an appropriation of such sums as may be necessary for the purposes of the fund. An appropriation of $100,000,000 was provided by the Supplemental Appropriations Act, 1966 (Public Law 89–409) to capitalize the fund for future operations.

This fund may be used to insure or guarantee rural housing loans, loans for rural rental and cooperative housing, farm labor housing loans, rural housing site loans and mobile home park loans. Beginning in fiscal year 1978, rental assistance payments were made from the fund. Loan programs are limited to rural areas which include towns, villages and other places of not more than 10,000 population, which are not part of an urban area, and areas with a population in excess of 10,000 but less than 20,000 if such area is not included in a standard metropolitan statistical area and has a serious lack of mortgage credit for low and moderate income borrowers.

This fund provides a variety of loans, within the income categories mentioned, including the following low-income housing assistance: subsidized loans for repairs, general purpose, domestic farm labor and rental or cooperatives. Unsubsidized loans for low-income persons include general purpose loans and site loans.

Moderate-income housing assistance is provided in the following form: unsubsidized loans for general purposes, rental or cooperative loans, site loans and mobile home park loans.

DIRECT LOANS

1982 loan level	($24,000,000)
1983 budget estimate	(24,000,000)
House bill	(24,000,000)
Committee recommendation	(24,000,000)

Direct rural housing loans to individuals with very low income may be made on farms, in the open country, and in towns of not more than 10,000 population that are rural in character. These loans may also be made in towns of 10,000–20,000 population that are not located within standard metropolitan statistical areas, and have a serious lack of mortgage credit.

The Committee recommends that $24,000,000 be provided for direct loans in 1983. This is the same as fiscal year 1982, the budget request, and the House bill.

INSURED LOANS

1982 loan level	($3,700,600,000)
1983 budget estimate	(1,121,000,000)
House bill	(3,261,000,000)
Committee recommendation	(3,391,000,000)

For insured loans for fiscal year 1983, the Committee recommends a level of $3,391,000,000. This is $309,600,000 less than was available for fiscal year 1982, $2,270,000,000 more than the budget request, and $130,000,000 more than the amount provided in the House bill.

The Committee concurs in the House level for low-income insured housing loans, and has provided $130,000,000 more than the House for moderate-income housing. The Committee believes that, should interest rates decline to more traditional levels, the moderate-income housing loan program will be more viable for assisting rural residents in purchasing homes.

The Committee recommends an increase of $740,000,000 over the budget request and for section 515 rural rental housing loans. This is the same as the fiscal year 1982 level and the level provided by the House. As fewer Americans are able to afford homeownership, the demand for affordable rental housing continues to increase. The higher level provided for section 515 will help meet this demand in rural areas.

RENT SUPPLEMENT AUTHORIZATION

1982 authorization	($398,000,000)
1983 budget estimate	(1)
House allowance	(73,745,000)
Committee recommendation	(173,745,000)

[1] The fiscal year 1983 budget requested a direct appropriation for this program.

The Housing and Community Development Act of 1976 established a rural rental assistance program to be administered by Farmers Home Administration through the Rural Housing Insurance Fund.

The objective of the program is to reduce rents paid by low-income families living in FmHA-financed rental projects and farm labor housing projects. Under this program, low-income tenants pay no more than 25 percent of their adjusted monthly income for rent. Payments from the fund are made to the project owner to make up the difference between the tenant's payment and the approved rental rate established for the unit.

For rural rental assistance the Committee recommends an authorization of $173,745,000, which is $224,255,000 less than provided in fiscal year 1982 and $100,000,000 more than the House allowance. The administration made no request for the revolving fund, but did request a $185,000,000 direct appropriation for rural rental assistance payments.

Funds have been provided for 27,060 units under the rent supplement program estimated to cost $173,745,000 of new funds over the life of the agreements. The Committee concurs with the House recommendation that this program be retained as part of the rural housing insurance fund because of the difficulty in developing reliable estimates in advance of the actual program year. Nine thousand five hundred of the units provided shall be used in conjunction with new construction. The Committee concurs with language in the House bill that limits rental assistance agreements to no more than 5 years. The Committee notes that approximately 10,560 of the units being extended do not require new funds, but will be funded within funds previously provided.

REIMBURSEMENT FOR INTEREST SUBSIDIES AND OTHER LOSSES

1982 appropriation	[1] $575,087,000
1983 budget estimate	1,109,722,000
House allowance	1,109,722,000
Committee recommendation	1,109,722,000

[1] Includes reimbursement of $78,880,000 for the amount of interest subsidies and losses not appropriated in fiscal year 1982 for losses sustained in fiscal year 1980.

This appropriation will be used to reimburse the Rural Housing Insurance Fund for funded interest subsidies and losses incurred in fiscal year 1981. Section 521(c)(1) of the Housing Act of 1949, as amended, authorizes annual appropriations to the Rural Housing Insurance Fund of the amounts by which interest payments made from the Fund to investors in insured loans exceed the interest due from borrowers. In addition, section 517(e) of the act authorizes appropriations to restore all other losses to the Fund. The amount requested is exclusive of provision for future losses, unfunded costs, and imputed interest.

For reimbursement for interest subsidies and other losses for fiscal year 1983, the Committee recommends an appropriation of $1,109,722,000. This is $534,635,000 more than was provided in 1982, and the same as the budget estimate and the amount provided in the House bill. The Committee has rejected language proposed in the budget to make this account a permanent, indefinite appropriation.

AGRICULTURAL CREDIT INSURANCE FUND

The Agricultural Credit Insurance Fund is used to insure or guarantee farm ownership, soil and water, recreation, farm operating, and emergency loans to individuals, as well as the following types of loans to associations: irrigation and drainage, grazing, recreation, Indian tribe land acquisition, watershed protection, flood prevention, and resource conservation and development. The insurance endorsement on each insured loan may include an agreement by the Government to purchase the loan after a specified initial period.

Loans may be made by the fund from available receipts or Treasury borrowings. Loans made by the fund are held in a pool as security for certificates of beneficial ownership which are sold primarily to the Federal Financing Bank. FmHA is also authorized to provide financial assistance to borrowers by guaranteeing loans made by private lenders having a contract of guarantee from FmHA as approved by the Secretary of Agriculture.

The following programs are financed through this fund:

Farm ownership loans.—Made to borrowers who cannot obtain credit elsewhere to improve or purchase farms, refinance nonfarm enterprises or make additions to farms.

Farm operating loans.—Provide short-to-intermediate term production or chattel credit to farmers who cannot obtain credit elsewhere.

Emergency disaster loans.—Made to farmers in Presidentially or Secretarially designated disaster areas to restore production.

Economic emergency loans.—Make financial assistance available during the period authorized by Public Law 96–220, (authority expires September 30, 1981), in the form of loans insured or guaranteed by FmHA for bona fide farmers and ranchers who are primarily and directly engaged in agricultural production. This will enable them to continue their normal farming or ranching operations during the economic emergency which has caused a lack of agricultural credit due to national or areawide economic stress such as a general tightening of agricultural credit or an unfavorable relationship between production costs and prices received for agricultural commodities.

Soil and water conservation loans.—Made to associations, farmers, ranchers and nonoperator owners for land and water development, use and conservation.

Grazing loans.—Generally made to associations of three or more ranchers for the purchase of grazing land to permit expansion of herds.

Indian tribe land acquisition loans.—Made to qualified Indian tribes or tribal corporations to acquire land or interests in land within the tribes' reservation or Alaskan Indian community, as determined by the Secretary of the Interior.

Recreation loans.—Made to farmers and ranchers for converting all or a portion of the farms or ranches they own or operate to outdoor income-producing recreation enterprises which will supplement or supplant farm income and permit carrying on sound and successful operations.

Watershed protection and flood prevention loans.—Made to sponsors of projects approved for operation by the Soil Conservation Service. Loans are made to local organizations for installing, repairing, or improving works of improvement and water storage facilities, purchasing sites of rights-of-way, and for related costs.

Resource conservation and development loans.—Made to sponsors of projects approved for operation by the Soil Conservation Service. Loans are made to local organizations and individuals for planned conservation measures and works of improvement as specified in approved work plans.

REAL ESTATE LOANS

	Insured	Guaranteed	Total
1982 loan level	($773,600,000	($131,000,000)	($904,600,000)
1983 budget estimate	(737,000,000)	(81,000,000)	(818,000,000)
House allowance	(759,100,000)	(81,000,000)	(840,100,000)
Committee recommendation	(737,000,000)	(81,000,000)	(818,000,000)

Included in this account are the following real estate loans to individuals: Farm ownership loans, recreation loans, and soil and water loans. Also included are irrigation and drainage loans, grazing loans, and Indian tribe land acquisition loans for associations and groups.

The Committee recommends $737,000,000 for insured real estate loans. This provides the same as the budget request and is $22,100,000 less than the House allowance.

The Committee recommends $81,000,000 for guaranteed real estate loans, the same as the House allowance and $50,000,000 less than fiscal year 1982.

The Committee remains concerned about the continued difficulty young persons are experiencing in getting started in farming. The Committee notes that current authority provides that not less than 20 percent of the funds provided for farm real estate and ownership loans shall be used for limited resource borrowers. This authority should not be interpreted as a cap but as minimum level for limited resource loans. FmHA should place increased emphasis on assisting new entrants to farming. To that end, the Committee will expect FmHA to fully utilize the limited resource loan program to assist young persons getting started in farming. The Committee will expect to be kept informed on actions taken to comply with this directive. The Committee has added language which will continue the authority for limited resource loans in fiscal year 1983.

The Committee notes that only a small proportion of the funds appropriated for the Indian Land Acquisition Program has been expended in fiscal year 1982. High land costs and low returns to agricultural production have made servicing the debt on such acquisitions difficult for tribes, a circumstance which does not appear likely to change in fiscal year 1983. Accordingly, the Committee recommends that the Farmers Home Administration consider the transfer from this program of such funds as may be required to finance the rural water system proposed by the Rosebud Sioux Tribe to provide a cost-effective solution to severe drinking water quality and quantity problems on the reservation.

SOIL CONSERVATION LOANS

1982 loan level	($30,000,000)
1983 budget estimate	
House allowance	(30,000,000)
Committee recommendation	(30,000,000)

Under Public Law 87–566, as amended, and other existing Departmental authorities, loans are made to local sponsoring organizations and to individuals for financing the local share of the cost of installing, repairing or improving works of improvement and water storage facilities, purchasing sites or rights-of-way and for related costs in approved resource conservation and development projects and approved watershed works of improvement and flood prevention projects.

For soil conservation loans, the Committee recommends $30,000,000, the same as the 1982 level and the House allowance. No request was made by the administration.

OPERATING LOANS

	Insured	Guaranteed	Total
1982 loan level	($1,325,000,000)	($50,000,000)	($1,375,000,000)
1983 budget estimate	(1,460,000,000)	(50,000,000)	(1,510,000,000)
House allowance	(1,460,000,000)	(50,000,000)	(1,510,000,000)
Committee recommendation	(1,460,000,000)	(50,000,000)	(1,510,000,000)

Subtitle B of the Consolidated Farm and Rural Development Act contains the authorization for insured and guaranteed operating loans. Operating loans made by the Farmers Home Administration are accompanied by supervisory assistance in farm and financial management. Operating credit is needed by family farmers throughout the United States who are unable to obtain credit from private and cooperative sources to develop a reasonable standard of living. The use of operating loan funds for this purpose helps to provide parity of opportunity for farm operators and encourages farm families to remain in rural areas. The Rural Development Act of 1972 authorized operating loans to be made on an insured and guaranteed basis.

For operating loans for 1983, the Committee recommends a level of $1,510,000,000, including $1,460,000,000 for insured loans and $50,000,000 for guaranteed loans. This is the same as the budget estimate and the House allowance, and $135,000,000 more than the 1982 level. This increase is necessary to insure the continued availability of loan funds for family farmers.

As in the case of real estate loans, the Committee will expect FmHA to fully utilize the limited resource loan program to assist young persons getting started in farming.

EMERGENCY DISASTER LOANS

1982 loan level	($1,600,000,000)
1983 budget estimate	(1,540,000,000)
House allowance	(1,540,000,000)
Committee recommendation	(1,540,000,000)

Emergency loans are made available in designated areas where a natural disaster has caused a temporary general need for agricultural credit which cannot be met by private, cooperative, or other responsible sources, including the Farmers Home Administration in its regular loan programs. Emergency loans are made to established eligible farmers, ranchers, and aquaculture operators and to private domestic corporations or partnerships engaged primarily in agricultural or aquacultural production. Emergency loans are made primarily for financing farm operating needs, family living expenses, and a number of closely related purposes and are not to exceed otherwise unreimbursed losses attributable to natural disasters.

The Committee has again provided language in the bill which authorizes the Secretary to make loans in an amount necessary to meet the needs resulting from natural disasters. The budget proposed capping the emergency disaster loan program at $1,540,000,000. The Committee rejected this proposal since it would place an arbitrary ceiling on the emergency program.

The amounts shown above for the program are estimates only and are not program limits as in the case of other loan programs.

REIMBURSEMENT FOR INTEREST SUBSIDIES AND OTHER LOSSES

1982 appropriation	$464,083,000
1983 budget estimate	682,074,000
House allowance	682,074,000
Committee recommendation	682,074,000

The amount requested will reimburse the Agricultural Credit Insurance Fund for interest subsidies and losses incurred through September 30, 1980. Losses result primarily from writeoff of uncollectable loans and interest costs incurred because of the difference between interest rates charged to borrowers and the rate which the Government must pay for its own borrowing.

For reimbursement for interest subsidies and other losses for fiscal year 1983, the Committee recommends an appropriation of $682,074,000. This is $217,991,000 more than was provided in 1982 and the same as the budget estimate and the amount provided in the House bill. The Committee has rejected language proposed in the budget to make this account a permanent, indefinite appropriation.

RURAL DEVELOPMENT INSURANCE FUND

The Rural Development Insurance Fund was established on October 1, 1972, pursuant to section 309(A) of the Rural Development Act of 1972 (Public Law 92–419), which also provided for transfer of the assets and liabilities of the Agricultural Credit Insurance Fund applicable to loans for water systems and waste disposal facilities to this fund.

The fund is used to insure or guarantee loans for water systems and waste disposal facilities, development of rural business, community facilities, pollution abatement, and economic improvement in rural areas.

WATER AND SEWER FACILITY LOANS

1982 loan level	($375,000,000)
1983 budget estimate	(300,000,000)
House allowance	(375,000,000)
Committee recommendation	(300,000,000)

Loans are made to organizations including certain Indian tribes and corporations not operated for profit, and public and quasi-public agencies, for the development, storage, treatment, purification, or distribution of water or the collection, treatment, or disposal of waste in rural areas.

For water and sewer facility loans for fiscal year 1983, the Committee recommends a level of $300,000,000. This is the same as the budget estimate, and $75,000,000 less than the level provided in 1982 and in the House bill.

The Committee notes a recent study completed for the Environmental Protection Agency which purported to show that 63 percent of rural Americans consume less than desirable water. The Committee will expect FmHA to review this study and determine the adequacy of the current water and sewer loan and grant programs to address the water needs of rural america. The Committee will expect a report on this review in time to be considered during the Committee's hearings on the fiscal year 1984 budget.

INDUSTRIAL DEVELOPMENT LOANS

1982 loan level	($300,000,000)
1983 budget estimate	.....
House allowance	(300,000,000)
Committee recommendation	(350,000,000)

These loans are made to public, private, or cooperative organizations organized for profit or nonprofit, to certain Indian tribes, or to individuals for the purpose of improving, developing, or financing business, industry, and employment, or improving the economic and environmental climate in rural areas. Such purposes include financing business and industrial acquisition, construction, enlargement, repair or modernization; financing the purchase and development of land, easements, rights-of-way, buildings, equipment, facilities, leases, machinery, supplies and materials; and payment of start-up costs and supplying working capital. Industrial development loans may be made in any area that is not within the outer boundary of any city having a population of 50,000 or more and its immediately adjacent urbanized and urbanizing

areas with a population density of more than 100 persons per square mile. Special consideration for such loans is given to rural areas and cities having a population of 25,000 or less. Loans may be guaranteed by FmHA not to exceed 90 percent of the loss.

For guaranteed industrial development loans for fiscal year 1983, the Committee recommends a level of $350,000,000. This is $50,000,000 more than the level provided in 1982 and in the House bill. No request was made by the administration.

The Committee has continued this business and industrial loan program because it believes that the program is effective at producing and saving employment opportunities in rural areas. The Committee is aware of data indicating that most farmers obtain more income from off-farm sources than from their farming operations. This is indicative of both the economic hardships faced by today's farmers as well as the need for off-farm income sources which help young farmers to start and continue in business.

The Committee concurs with the directives contained in the House report aimed at improving the management of the industrial development loan program.

Within the funds provided for the industrial development loan program the Committee directs that up to $75,000,000 be made available for alcohol production facility loans.

COMMUNITY FACILITY LOANS

1982 loan level	($130,000,000)
1983 budget estimate	(130,000,000)
House allowance	(130,000,000)
Committee recommendation	(130,000,000)

Loans are made to organizations, including certain Indian tribes and corporations not operated for profit, and public and quasi-public agencies, to construct, enlarge, extend, or otherwise improve community facilities providing essential services to rural residents. Such facilities include those providing or supporting overall community development such as fire and rescue services, health care, transportation, traffic control, and community, social, cultural, and recreational benefits. Loans are made for facilities which primarily serve rural residents of open country and rural towns and villages of not more than 20,000 population.

For community facility loans for fiscal year 1983, the Committee recommends a level of $130,000,000. This is the same amount as provided in 1982, in the budget request, and in the House allowance.

ALCOHOL PRODUCTION FACILITY LOANS

1982 loan level	($250,000,000)
1983 budget estimate	.....
House allowance	.....
Committee recommendation	.....

These are guaranteed loans made to cooperative, corporation, partnership, trust or other legal entity organized and operated on a profit or nonprofit basis; Indian tribe; municipality, county or other political

subdivision of a State; or an individual. Loans are made for the purposes of acquisition, construction, conversion, enlargement, repair, or modernization of alcohol fuel facilities; financing the purchase of land, easements, right-of-way, buildings, facilities, machinery, supplies, and materials; and payment of startup costs and supplying working capital.

The alcohol production facility loans may be made in any area that is not within the outer boundary of any city having a population of 50,000 or more and its immediately adjacent urbanized and urbanizing areas with a population density of more than 100 persons per square mile. Special consideration for such loans is given to areas having a population of less than 25,000. These loans, except for public bodies, are repayable in three separate maturities not exceeding 30 years. The interest rates for guaranteed loans is determined by the lender and borrower. FmHA administers the funding authority for the alcohol production facility loan program under the provisions of section 301B of the Consolidated Farm and Rural Development Act of 1972, as amended and the business and industrial development loan program regulations.

The Committee has provided that up to $75,000,000 of the industrial development loan program be made available for alcohol production facility loans. The Committee intends that additional funds may also be used for alcohol production facilities when appropriate.

REIMBURSEMENT FOR INTEREST SUBSIDIES AND LOSSES

1982 appropriation	$180,040,000
1983 budget estimate	336,217,000
House allowance	336,217,000
Committee recommendation	336,217,000

This appropriation is to reimburse the Rural Development Insurance Fund for funded interest subsidies and losses incurred in fiscal years 1980 and 1981.

For reimbursement for interest subsidies and losses for the Rural Development Insurance Fund for fiscal year 1983, the Committee recommends an appropriation of $336,217,000. This is $156,177,000 more than was provided in 1982 and the same amount as in the budget request and in the House bill.

Rural Grant Programs

RURAL WATER AND WASTE DISPOSAL GRANTS

1982 appropriation	$125,000,000
1983 budget estimate	120,000,000
House allowance	125,000,000
Committee recommendation	125,000,000

This grant program is authorized by section 306 of the Consolidated Farm and Rural Development Act. Grants are authorized to be made to associations, including nonprofit corporations, public and quasi-public agencies, and certain Indian tribes to finance specific projects for the development, storage, treatment, purification, or distribution of water or the collection, treatment or disposal of waste in rural areas.

The Committee recognizes that one of the greatest potential health hazards in rural areas is the lack of adequate, safe drinking water and inadequate sewage treatment. The Committee recommends an appropriation of $125,000,000 for rural water and waste disposal grants. This is the same amount as the amount provided in 1982 and the House bill, and $5,000,000 more than the budget estimate.

The FmHA water and waste disposal loan and grant programs were significantly reduced in fiscal year 1982. The Committee notes that these programs were established to assist communities too small and too poor to obtain financing elsewhere for essential water and waste disposal programs. With decreased funding levels, it becomes more important that every effort be made to fund projects for the most needy communities.

The Committee notes that the budget justifications indicate that funding will be provided to the most needy rural communities. It has come to the attention of the Committee that less than 20 percent of loan and grant funds has been obligated to low-income communities. Therefore, the Committee directs FmHA to obligate at least 50 percent of loan funds and 75 percent of grant funds in fiscal year 1983 to low-income communities eligible for 5 percent or "intermediate rate" loans.

The Committee will expect to be kept informed of loan and grant obligations and the compliance with this directive.

VERY LOW-INCOME HOUSING REPAIR GRANTS

1982 appropriation	$15,000,000
1983 budget estimate	12,500,000
House allowance	12,500,000
Committee recommendation	12,500,000

This grant program is authorized under section 504 of title V of the Housing Act of 1949, as amended. The rural housing repair grant program is carried out by making grants for very low-income persons to make necessary repairs to their homes in order to make such dwellings safe and sanitary, and remove hazards to the health of the occupants, their families, or the community. Such grants may be made to cover the cost of improvements or additions, such as repairing roofs, providing toilet facilities, providing a convenient and sanitary water supply, installing screens, repairing or providing structural supports, or making similar repairs, additions, or improvements including all preliminary and installation costs in obtaining central water and sewer service. A grant is usually in combination with a section 504 very low-income housing repair loan.

For very low-income housing repair grants for fiscal year 1983, the Committee recommends an appropriation of $12,500,000. This is $2,500,000 less than the amount provided in 1982 and the same as the budget estimate and the amount provided in the House bill.

GRANTS FOR RURAL HOUSING FOR DOMESTIC FARM LABOR

1982 appropriation	$13,750,000
1983 budget estimate	12,500,000
House allowance	[1](12,500,000)
Committee recommendation	10,000,000

[1] Reappropriation of unexpended balances.

Financial assistance in the form of grants is authorized to public or private nonprofit organizations, or other eligible organizations for low-rent housing and related facilities for domestic farm labor, as authorized by section 516 of the Housing Act of 1949.

Assistance not to exceed 90 percent of the total development cost is authorized for new structures—including basic household furnishings—and sites, and for rehabilitation, alteration, conversion or improvement of dwellings, dining halls, community rooms or buildings and infirmaries used by domestic farm laborers.

For grants for rural housing for domestic farm labor for fiscal year 1983, the Committee recommends $10,000,000. This is $3,750,000 less than the amount provided in 1982 and $2,500,000 less than the level requested in the budget.

The Committee notes that $12,500,000 of carryover funds will be available for expenditure in fiscal year 1983 for this program which, when combined with the amount appropriated, will allow for a $22,500,000 program level.

MUTUAL AND SELF-HELP HOUSING GRANTS

1982 appropriation	$3,950,000
1983 budget estimate	
House allowance	5,000,000
Committee recommendation	15,000,000

This grant program was authorized by Public Law 90–448, approved August 1, 1968. Grants are made to local organizations to promote the development of mutual or self-help housing programs under which groups of usually 6 to 10 families build their own homes by mutually exchanging labor. Funds may be used to pay the cost of construction supervisors who will work with families to guide them in the construction of their homes and for administrative expenses of the organizations providing the self-help assistance.

For mutual and self-help housing grants for fiscal year 1983, the Committee recommends an appropriation of $15,000,000. This is $11,050,000 more than provided in 1982 and $10,000,000 more than the amount provided in the House bill. No appropriation was requested by the administration.

The Committee notes that due to carryover funds available in previous years, the mutual and self-help housing program operated at a level of $13,200,000. The level of appropriation provided by the Committee will allow production of self-help units to continue at existing levels of program production.

The self-help housing program provides great benefits both to prospective homeowners and the Federal Government. A recent FmHA study of 34 grantees gives evidence that this is a cost-effective program

that works. Houses constructed by the self-help method cost almost $9,200 less than contractor built homes. The average self-help technical assistance grant cost is $4,412 per house; therefore, the Federal Government saves $5,010 per house (the difference between the savings in house cost and the cost of the technical assistance grant). Furthermore, at an average mortgage rate of 3 percent, the annual interest credit savings on a section 502 loan is $938 per year. In 5 years, the interest credit savings will exceed the cost to the Government for the technical assistance grant.

The Committee notes that part of the reason for the improvement and expansion of the self-help housing program is the use of regional contractors, which provide management assistance to the local technical assistance organizations. In many cases these regional contractors provide technical expertise that FmHA cannot provide because of heavy workloads. The Committee directs that this element of the program be continued.

RURAL COMMUNITY FIRE PROTECTION GRANTS

1982 appropriation	$3,250,000
1983 budget estimate	
House allowance	3,250,000
Committee recommendation	3,250,000

This assistance was authorized by section 7 of the Cooperative Forestry Assistance Act of 1978. Grants are made to public bodies to organize, train, and equip local firefighting forces, including those of Indian tribes or other native groups, to prevent, control, and suppress fires threatening human lives, crops, livestock, farmsteads or other improvements, pastures, orchards, wildlife, rangeland, woodland, and other resources in rural areas.

For rural community fire protection grants for fiscal year 1983, the Committee recommends an appropriation of $3,250,000. This is the same amount as provided in 1982 and in the House bill. No appropriation was requested by the administration.

COMPENSATION FOR CONSTRUCTION DEFECTS

1982 appropriation	([1])
1983 budget estimate	$2,000,000
House allowance	2,000,000
Committee recommendation	2,000,000

[1] In fiscal year 1982, this program was funded through the rural housing insurance fund.

Under section 509(c) of the Housing Act of 1949, as amended, the Secretary of Agriculture is authorized to pay the cost of correcting defects, paying claims arising from defects or acquiring title, for property purchased with financial assistance authorized by the act. Claims will not be paid until provisions under the builder's warranty have been fully pursued. Requests for compensation for construction defects must be made within 18 months of loan closing.

The Committee recommends $2,000,000 for construction defects. This is the same as the budget request and the House allowance. In prior years, funds for construction defects were provided through the rural housing insurance fund.

RURAL RENTAL ASSISTANCE PAYMENTS

1982 appropriation	[1]
1983 budget estimate	$185,000,000
House allowance	.....
Committee recommendation	.....

[1] In 1982, this program was funded under FmHA's rural housing insurance fund.

This program is authorized under section 521(a)(2) of the Housing Act of 1949, as amended.

The objective of the program is to reduce rents paid by low-income families living in FmHA financed rental projects and farm labor housing projects. Under this program, low-income tenants will pay 25 percent of their adjusted monthly income for rent. Payments are made to the project owner to make up the difference between the tenants' rent payments and the approved rental rates for the units.

The Committee has concurred with the House that the rural rental assistance program continue to be funded through the rural housing insurance fund rather than by direct appropriation as proposed in the budget.

SALARIES AND EXPENSES

	Appropriation	Transfers from loan accounts	Total
1982 appropriation	[1] $281,510,000	($3,500,000)	[1] ($285,010,000)
1983 budget estimate	294,206,000	(3,500,000)	(297,706,000)
House allowance	286,870,000	(6,000,000)	(292,870,000)
Committee recommendation	291,706,000	(6,000,000)	(297,706,000)

[1] Includes pay supplemental of $5,092,000 and includes $1,875,000 transferred to the Office of Rural Development Policy.

Funds appropriated to this account are used to administer the various loan and grant programs of the Farmers Home Administration, with the exception of Emergency, Watershed, Flood Prevention, and Resource Conservation and Development loans. Administration of the programs includes the reviewing of applications, making and collecting loans, and extending technical assistance to borrowers.

In addition, other funds are made available from the Agricultural Credit Insurance Fund to service the unpredictable needs of the Emergency Program. An annual allotment is received from the Soil Conservation Service to cover the costs of administering watershed, flood prevention, and resource conservation and development loans.

For salaries and expenses for fiscal year 1983, the Committee recommends an appropriation of $291,706,000. This is $10,196,000 more than was available in 1982, $2,500,000 less than the revised budget estimate, and $4,836,000 more than the House allowance.

As previously discussed, a new account has been established for standard level user charges (SLUC). Consequently, there has been a reduction in this account of $7,336,000 for SLUC.

The Committee concurs with the House that efforts to restrict the personnel levels of FmHA are shortsighted. With a loan portfolio in excess of $50,000,000,000, adequately trained personnel to service these loans are essential.

Many FmHA borrowers are experiencing severe economic distress due to reduced commodity prices and continued high rates of interest. The Committee urges the Secretary of Agriculture to exercise the authority available to him to forego foreclosure of any outstanding FmHA loan upon a showing by a borrower that due to circumstances beyond the borrower's control the borrower is temporarily unable to continue making payments of principal and interest when due without unduly impairing the standard of living of the borrower. The Committee will expect FmHA to utilize all authorities available to it to assist its borrowers in staying in business. The Committee notes that although FmHA testified that regulations would be changed to allow borrowers who receive loan deferrals to maintain the lower rates of interest on their loans, final regulations to implement this change have not yet been issued. The Committee will expect expeditious action to correct this.

In time for hearings on the fiscal year 1984 budget, the Committee will expect a report on the financial condition of FmHA borrowers including, but not limited to, the numbers of foreclosures that have occurred, the level of delinquencies, and the number of voluntary sales, as well as what actions are being taken to assist farmers who are experiencing severe financial stress.

The Committee concurs with the House that technical assistance to rural water systems is highly valuable to both the taxpayers and users of those systems. The level provided by the House presumed some fiscal year 1982 funds would be available for this purpose in addition to the level of funding it had provided. It appears now that this will not be the case. Therefore, the Committee recommends that of the funds provided for contracts, $1,300,000 is provided for a circuit rider program to provide technical assistance to rural water systems as has been proposed by the National Rural Water Association.

Rural Electrification Administration

The Rural Electrification Administration (REA), created in 1935, makes loans to finance electric and telephone service in rural areas. REA loans are made at 5 percent interest from the U.S. Treasury's Rural Electrification and Telephone Revolving Fund. A limited number of loans are made at 2 percent interest under special conditions. REA borrowers also obtain funds from non-REA sources under 100 percent guarantees by REA in behalf of the Federal Government. The agency participates in supplemental lending programs with its borrowers, whereby non-REA sources provide a substantial portion of the borrowers' capital needs.

REA does not own or operate rural electric or telephone facilities. Its function is to lend money and to assure its repayment and to provide management and technical assistance to achieve program objectives.

RURAL ELECTRIFICATION AND TELEPHONE REVOLVING FUND

ELECTRIC LOANS

1982 loan authorization	($850,000,000)
1983 budget estimate	(625,000,000)
House allowance	(850,000,000)
Committee recommendation	(850,000,000)

TELEPHONE LOANS

1982 loan authorization	($250,000,000)
1983 budget estimate	(75,000,000)
House allowance	(250,000,000)
Committee recommendation	(250,000,000)

The Committee commends REA for maintaining stable ratios of concurrent and supplemental loans at the current levels and will expect the Agency to continue the ratios now in effect.

For insured loans to rural electric systems, the Committee recommends a floor of $850,000,000 and a ceiling of $1,100,000,000. For insured telephone loans the Committee recommends a floor of $250,000,000 and a ceiling of $325,000,000.

This action reflects the same levels as proposed by the House. The budget proposed a ceiling of $625,000,000 on electric loans and $75,000,000 for telephone loans.

The Committee also recommends the addition of bill language to establish a minimum of $4,745,000,000 and a maximum of $5,950,000,000 of total loan principal contingent liability for commitments made in the REA loan guarantee program.

The Committee will expect REA borrowers to continue to have access to the Federal Financing Bank as a source of loan funds.

The Congress has continuously directed the REA to provide borrowers supplemental financing in accordance with applicable criteria and the ratios in effect during prior years. The Committee has been made aware of efforts to ignore this directive. Therefore, the Committee has added bill language which shall require the applicable criteria and ratios in effect as of July 15, 1982, to be maintained.

RURAL TELEPHONE BANK

1982 appropriation	($30,000,000)
1983 budget estimate	
House allowance	(30,000,000)
Committee recommendation	(30,000,000)

Public Law 92–12 amended the Rural Electrification Act to establish the Rural Telephone Bank as a supplemental source of financing for the growing capital needs of rural telephone systems. It also authorized U.S. stock purchases totaling $300,000,000 with up to $30,000,000 to be appropriated annually.

The $300,000,000 stock purchase was completed in 1981. Public Law 97–98, approved December 22, 1981, amended the act by providing for an authorization of an additional $300,000,000 in U.S. stock purchases with $30,000,000 to be appropriated annually.

For the Rural Telephone Bank, the Committee recommends an appropriation of $30,000,000, the same amount as appropriated for fiscal year 1982 and the same amount as the annual authorization for this appropriation. This is the same level as provided by the House.

RURAL COMMUNICATION DEVELOPMENT FUND

1982 appropriation	
1983 budget estimate	$91,000
House allowance	91,000
Committee recommendation	91,000

The rural communication development fund, an account under the rural development insurance fund, was established pursuant to Secretary's Memorandum No. 1988, approved May 22, 1979. The memorandum transferred certain financing authorities under the Consolidated Farm and Rural Development Act (U.S.C. 1921 et seq.) from the Farmers Home Administration to the Rural Electrification Administration for the purpose of financing and administering community antennae television services or facilities.

For the rural communication development fund, the Committee recommends an appropriation of $91,000. This is the same amount provided in the budget request and in the House bill. These funds will be used to reimburse the RCDF for subsidies and losses sustained in prior years that have not been previously reimbursed.

SALARIES AND EXPENSES

1982 appropriation	[1] $30,273,000
1983 budget estimate	30,340,000
House allowance	28,945,000
Committee recommendation	28,945,000

[1] Includes $600,000 for costs associated with the fiscal year 1982 pay cost supplemental.

For the salaries and expenses necessary to carry out the functions of the Rural Electrification Administration for fiscal year 1982, the Committee recommends an appropriation of $28,945,000. This is $1,328,000 less than the amount appropriated for fiscal year 1982, $1,395,000 less than the budget estimate, and the same amount as provided in the House bill.

As previously discussed, a new account has been established for standard level user charges (SLUC). Consequently, there has been a reduction in this account of $1,395,000 for SLUC.

Conservation

Soil Conservation Service

The Soil Conservation Service (SCS) was established under authority of the Soil Conservation Act of 1935 (49 Stat. 163; 16 U.S.C. 590a–f). It has responsibility for developing and carrying out a national soil and water conservation program in cooperation with landowners and operators and other land users and developers, with community planning agencies and regional resource groups, and with other agencies of gov-

ernment—Federal, State, and local. The SCS also assists in agricultural pollution control, environmental improvement, and rural community development.

The soil and water conservation program is carried on through financial and technical help to locally organized and operated conservation districts; local sponsors of watershed protection projects and resource conservation and development projects; and consultative assistance to other individuals and groups. Approximately 3,000 conservation districts cover almost 2 billion acres in all the States, Puerto Rico, and the Virgin Islands.

CONSERVATION OPERATIONS

1982 appropriation	[1] $310,809,000
1983 budget estimate	336,580,000
House allowance	326,198,000
Committee recommendation	326,198,000

[1] Excludes pay supplemental of $7,849,000 to be derived by transfer from "watershed and flood prevention operations."

SCS provides technical assistance through conservation districts to landowners and operators in carrying out locally adapted soil and water conservation programs. This includes technical assistance in the development of conservation plans and application of conservation treatment, the making of soil surveys and the operation of plant material centers. The Service is responsible for inventory and monitoring of soil, water, and related resource data and resource use trends essential for programing and planning at all governmental levels.

For conservation operations for fiscal year 1983, the Committee recommends an appropriation of $326,198,000. This is $15,389,000 more than was provided in 1982, $10,382,000 less than the budget estimate, and the same amount as provided in the House bill.

The Committee reaffirms its concern over the adequacy of our Nation's soil and water conservation program. Estimates of conservation needs indicate again this year that far in excess of current Federal efforts must be undertaken to prevent further depletion of the natural resource base which has made the success of American agriculture possible. For example, the Committee has been apprised that some cropland areas of the country are losing as much as 20 tons of top soil per year per acre. The Committee finds these conditions unacceptable and urges SCS to give concentrated attention to those areas with the most serious problems, while also maintaining those good conservation systems that are in place and that are keeping soil loss at a minimum.

The Committee commends SCS on its progress to date and expects it to redouble its efforts in addressing and correcting the soil erosion, flood control, water quality, and water conservation problems facing our Nation.

As previously discussed, a new account has been established for standard level user charges (SLUC). Consequently, there has been a reduction in this account of $10,432,000 for SLUC.

RIVER BASIN SURVEYS AND INVESTIGATIONS

1982 appropriation	[1] $15,500,000
1983 budget estimate	16,743,000
House allowance	16,068,000
Committee recommendation	16,068,000

[1] Excludes pay supplemental of $618,000 to be derived by transfer from "watershed and flood prevention operations."

The Soil Conservation Service administers a program which involves cooperation with other Federal, State, and local agencies in order to aid in the development of coordinated water resource programs. The Service has general responsibility for administration of activities consisting of investigations and surveys of proposed small watershed projects in response to requests made by sponsoring local organizations, and assisting sponsors in the development of watershed work plans.

For river basin surveys and investigations for fiscal year 1983, the Committee recommends an appropriation of $16,068,000. This is $568,000 more than was provided in 1982, $675,000 less than the budget estimate, and the same amount as the House allowance.

As previously discussed, a new account has been established for standard level user charges (SLUC). Consequently, there has been a reduction in this account of $675,000 for SLUC.

WATERSHED PLANNING

1982 appropriation	[1] $8,690,000
1983 budget estimate	9,152,000
House allowance	8,675,000
Committee recommendation	8,675,000

[1] Excludes pay supplemental of $355,000 to be derived by transfer from "watershed and flood prevention operations."

The Department cooperates with the States and other agencies in planning works of improvement in small watersheds to reduce damage from floodwater, sediment, and erosion and for the conservation, development, utilization, and disposal of water, as authorized by Public Law 83–566.

The Department makes surveys of proposed small watershed projects, and work plans are prepared in cooperation with local sponsors. These plans outline the soil and water management problems in the watershed, the steps that have been or are authorized to be taken to alleviate these problems, the proposed works of improvement to be installed, the estimated benefits and costs, the cost sharing and operation and maintenance arrangements, and other facts necessary to justify Federal participation in project development.

For watershed planning for fiscal year 1983, the Committee recommends an appropriation of $8,675,000. This is $15,000 less than was provided in 1982, $477,000 less than the budget estimate, and the same amount as provided in the House bill. Within the funds available, the Committee will expect the Department to initiate at least 25 new planning starts, including nonstructural watershed protection projects. Nonstructural plans include flood prevention as well as land treatment work.

As previously discussed, a new account has been established for standard level user charges (SLUC). Consequently, there has been a reduction in this account of $477,000 for SLUC.

WATERSHED AND FLOOD PREVENTION OPERATIONS

1982 appropriation	[1] $194,045,000
1983 budget estimate	117,721,000
House allowance	189,925,000
Committee recommendation	194,925,000

[1] Includes pay supplemental of $2,000,000.

The Soil Conservation Service has general responsibility for administration of activities which include cooperation with local sponsors, State, and other public agencies in the installation of planned works of improvement to reduce erosion, floodwater, and sediment damage; conserve, develop, utilize, and dispose of water; plan and install works of improvement for flood prevention including the development of recreational facilities and the improvement of fish and wildlife habitat; and loans to local organizations to help finance the local share of the cost of carrying out planned watershed and flood prevention works of improvement as authorized by Public Law 566, Public Law 534, and section 216 of the Flood Control Act of 1950. The Farmers Home Administration administers the loan program.

For watershed and flood prevention operations for fiscal year 1983, the Committee recommends an appropriation of $194,925,000. This is $880,000 more than was provided in 1982, $77,204,000 over the budget estimate, and $5,000,000 more than the amount provided in the House bill.

The Committee recommendation includes $23,200,000 for Public Law 534 flood prevention watersheds, $10,000,000 for emergency watershed protection operations, and $161,725,000 for small watersheds authorized by Public Law 566.

As previously discussed, a new account has been established for standard level user charges (SLUC). Consequently, there has been a reduction in this account of $2,120,000 for SLUC.

The Committee notes with regret the Office of Management and Budget's continued reluctance to release funds appropriated by Congress for Public Law 566 small watershed projects. Despite language in the conference report on Agricultural Appropriations for fiscal year 1982 suggesting 25 new starts, it was not until the Committee added language to the Urgent Supplemental Appropriations bill for fiscal year 1982 that the OMB allowed the Soil Conservation Service to proceed with 15 new construction starts in fiscal year 1982. The Committee also notes that the Soil Conservation Service identified 23 watersheds as being ready for construction in fiscal year 1982, yet 7 of these projects were overlooked and are still awaiting funds.

The Committee will continue to expect neither USDA nor the OMB to act as an impediment to the prompt and timely submittal of Public Law 566 projects to Congress for authorization. The Committee further directs USDA to fund in fiscal year 1983 all watershed projects iden-

tified by SCS as being ready for construction in fiscal year 1982. The Committee understands that, in preparation for initiating the Soak Creek project in West Virginia, SCS is planning to establish a project office in fiscal year 1983. The Committee will expect the project office to be established and that construction will be initiated, if possible, in fiscal year 1983.

Additionally, to insure that these funds are expended in a manner consistent with congressional intent, the Committee concurs with the House directive that no less than 20 new construction starts under the Public Law 566 program and no less than 5 new starts under the Public Law 534 program will be initiated in fiscal year 1983.

RESOURCE CONSERVATION AND DEVELOPMENT

1982 appropriation	[1] $26,500,000
1983 budget estimate	10,312,000
House allowance	25,744,000
Committee recommendation	25,744,000

[1] Includes pay supplemental of $500,000.

The Soil Conservation Service has general responsibility for assisting local sponsoring groups accelerate planning and development of land and water resources in multiple county areas. Projects may include such measures as flood prevention; developing water resources for recreation, wildlife, agricultural, municipal, or industrial use; conservation planning and establishment on individual land units; improving recreation facilities, including historical and scenic attractions; encouraging new industries to locate in the area and to process products of the area; improving markets for crop and livestock products; upgrading and protecting the quality of the environment; and long-range planning to coordinate public efforts in the area.

Activities include investigations and surveys to help develop programs and plans of land conservation and utilization, technical services and financial assistance to sponsors, local groups, and individuals, and making loans for resource improvements and developments in approved projects. The Farmers Home Administration administers the loan program.

For the resource conservation and development program for fiscal year 1983, the Committee recommends an appropriation of $25,744,000. This is $756,000 less than was provided in 1982, $15,432,000 more than the budget estimate, and the same amount as provided in the House bill.

As previously discussed, a new account has been established for standard level user charges (SLUC). Consequently, there has been a reduction in this account of $256,000 for SLUC.

GREAT PLAINS CONSERVATION PROGRAM

1982 appropriation	$21,500,000
1983 budget estimate	15,308,000
House allowance	21,315,000
Committee recommendation	21,315,000

This program provides cost-sharing assistance and technical services to participating landowners or operators in the Great Plains area in the development and installation of long-term conservation plans and practices for their land. It is a voluntary program which complements other conservation programs of the Department in 518 designated counties of 10 Great Plains States. Contracts with individual landowners range from 3 to 10 years.

Program regulations provide that cost-share rates offered in any contract shall not exceed 80 percent of the cost of installing eligible practices within the designated county. The rates vary among States and practices because of differences in conservation and program needs. Cost-sharing for irrigation practices in any one contract shall not exceed $7,500. There is also a cost-sharing limitation of $25,000 for any contract.

For the Great Plains conservation program for fiscal year 1983, the Committee recommends an appropriation of $21,315,000. This is $185,000 less than was provided in 1982, $6,007,000 more than the budget estimate, and the same as the amount provided in the House bill.

As previously discussed, a new account has been established for standard level user charges (SLUC). Consequently, there has been a reduction in this account of $185,000 for SLUC.

SOIL AND WATER CONSERVATION GRANTS

1982 appropriation	
1983 budget estimate	$10,000,000
House allowance	
Committee recommendation	

The administration has requested bill language to establish a new account to initiate a new program for soil and water conservation grants. Grants under this program would be targeted to land areas with critical erosion and upstream flooding problems of national significance under the authority and program objectives of the 1981 Agriculture and Food Act, Public Law 97–98. Funds would be made available to local units of government, through State conservation agencies, on a matching basis with up to 25 percent of the funds coming from non-Federal sources. The funds would be used to supplement current technical assistance efforts targeted to prevent the deterioration of soils needed to support agricultural production.

The Committee concurs with the House in recommending no appropriation for this request.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

AGRICULTURAL CONSERVATION PROGRAM

1982 appropriation	$190,000,000
1983 budget estimate	56,000,000
House allowance	190,000,000
Committee recommendation	190,000,000

The primary objectives of the agricultural conservation program (ACP) are: (1) to encourage farmers and ranchers to carry out long-term conservation measures that emphasize enduring conservation benefits, (2) to achieve desirable land-use adjustments, and (3) to provide community benefits and the general improvement of the total environment through a combination of economically sound public and private investments.

The authorizing legislation allows cost sharing with farmers and ranchers on both an annual and long-term basis. The program emphasis has been on meeting some of the more pressing farm-related conservation and environmental problems in rural areas, on practices for long-range protection of the environment, and on practices that provide substantial benefits to the public at the least possible cost.

The program is administered in each county by the ASCS county committee, with review and approval by State ASCS committees and in consultation with other agencies. The committees request and receive approval for cost-sharing practices best suited to meet the needs of their area.

For the agricultural conservation program for fiscal year 1983, the Committee recommends an appropriation of $190,000,000. This is the same amount that was provided in 1982, $134,000,000 more than the budget estimate, and the same amount as provided in the House bill.

The Committee concurs with the action of the House to earmark up to $4,000,000 for the Grand Valley Salinity Control project and the salinity control work in the Uintah Basin, Utah.

The Committee rejects the administration's proposal to incorporate into this account the activities of the forestry incentives program, the water bank program, and the emergency conservation program. Consideration is given by the Committee to each of these programs as separate appropriations accounts.

FORESTRY INCENTIVES PROGRAM

1982 appropriation	$12,500,000
1983 budget estimate [1]	
House allowance	12,500,000
Committee recommendation	12,500,000

[1] The fiscal year 1983 budget proposed a consolidation of the forestry incentives program with the agricultural conservation program.

This program is authorized by section 4 of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2103). The primary objective of cost-sharing for timber production is to increase the supply of sawtimber on nonindustrial private land.

For the forestry incentives program for fiscal year 1983, the Committee recommends an appropriation of $12,500,000. This is the same amount provided in 1982 and in the House bill.

The Committee rejects the administration's request that the objectives of the forestry incentives program be carried out under the consolidated agricultural conservation program in fiscal year 1983 at an unspecified level.

The House has included bill language providing that the cost share to any individual under the forestry incentives program shall not exceed 50 per centum of the total cost. The Committee has been advised that the assumptions on which the House made its decision to include this language are erroneous. The House report also includes language requesting the Department to issue regulations relating to matters rightfully under the jurisdiction of the Internal Revenue Service. Consequently, the Committee does not concur with the House position on these matters, and recommends deletion of the limitation in the House bill providing that the cost share shall not exceed 50 per centum of the total cost.

WATER BANK PROGRAM

1982 appropriation	$8,800,000
1983 budget estimate[1]	
House allowance	8,800,000
Committee recommendation	8,800,000

[1] The fiscal year 1983 budget proposed a consolidation of the water bank program with the agricultural conservation program.

The program is authorized by the Water Bank Act, approved December 19, 1970, and amended by Public Law 96–182, approved January 2, 1980, to preserve the wetlands of the Nation.

The Secretary of Agriculture enters into agreements with landowners and operators for the conservation of specified wetlands, and carries out the program in harmony with wetlands programs administered by the Secretary of the Interior, utilizing the technical and related services of appropriate State, Federal, and private conservation agencies to assure proper coordination.

For the water bank program for fiscal year 1983, the Committee recommends an appropriation of $8,800,000. This is the same amount provided in 1982 and in the House bill. The Committee rejects the administration's proposal to include this program in a consolidated agricultural conservation program in fiscal year 1983.

EMERGENCY CONSERVATION PROGRAM

1982 appropriation	$8,800,000
1983 budget estimate[1]	
House allowance	
Committee recommendation	

[1] The fiscal year 1983 budget proposed a consolidation of the emergency conservation program with the agricultural conservation program.

This appropriation provides special funds for sharing the cost—up to 80 percent—of emergency measures to deal with cases of severe damage to farm and rangelands resulting from natural disasters. The program is authorized by the Agricultural Credit Act of 1978.

Assistance is made available to treat new conservation problems which (1) if not treated will impair or endanger the land, (2) materially affect the productive capacity of the land, (3) represent damage which is unusual in character and except for wind erosion, is not the type which would recur frequently in the same area, and (4) will be so costly to rehabilitate that Federal assistance is or will be required to return the land to productive agricultural use.

For the emergency conservation program for fiscal year 1983, the Committee recommends no new appropriation. The Committee concurs with the directive of the House for ASCS to utilize unexpended funds already available for use by this program. This represents $8,800,000 less than the amount appropriated in 1982.

TITLE III—DOMESTIC FOOD PROGRAMS

FOOD AND NUTRITION SERVICE

The Food and Nutrition Service was established in 1969 to manage the food assistance programs of the Department. These include child nutrition, special milk, special supplemental feeding (WIC), food stamps, nutrition assistance for Puerto Rico, and food donations.

CHILD NUTRITION PROGRAMS

	Appropriation	Transfer from sec. 32	Total
1982 appropriation	$1,082,890,000	($1,763,948,000)	($2,846,838,000)
1983 budget estimate	611,091,000	(2,214,690,000)	(2,825,781,000)
House allowance	544,105,000	(2,281,676,000)	(2,825,781,000)
Committee recommendation	896,324,000	(2,281,676,000)	(3,178,000,000)

The child nutrition appropriation of the Food and Nutrition Service funds the activities authorized by the National School Lunch Act, as amended, and the Child Nutrition Act of 1966, as amended.

These involve the following child nutrition programs:

1. Cash payments to States.—The programs are operated under an agreement entered into by the State agencies and the Department. Funds are advanced quarterly under letters of credit to State agencies for use in reimbursing participating schools and child care institutions. Sponsors make application to the State agencies, and if accepted, are reimbursed on a pre-meal basis in accordance with the terms of their agreement and rates prescribed by law.

(a) School lunch program.—Assistance is provided to the States for service of lunches to all school children, regardless of family income. States must match some of the Federal cash grant from sources within the State.

(b) Special assistance.—Additional assistance is provided to the States for serving lunches free or at a reduced price to needy children.

(c) School breakfast program.—Federal reimbursement to the States is based on the number of breakfasts served free, at a reduced price, or to paying children. Certain schools, designated as especially needy, receive higher rates of reimbursement.

(d) State administrative expenses.—The funds may be used for State employee salaries, benefits, support services, and office equipment.

(e) Summer food service program.—Meals served free to children in poor areas during the summer months are supported on a performance basis by Federal cash subsidies to State agencies. Local administrative expenses are reimbursed at negotiated rates, and State administrative ex-

penses are supported with a grant of percentage of funds distributed to the State in the preceding fiscal year.

(f) Child care food program.—Preschool children receive year-round food assistance in child care centers under this program. Food service in family day care homes and Headstart centers is subsidized. The program reimburses State agencies for breakfasts, lunches, suppers, and meal supplements served at regular, reduced, and free prices.

2. Commodity procurement.—The program provides commodities to schools for the lunch and breakfast programs, and to institutions in the child care and summer feeding programs. Commodities are also acquired under programs that strengthen markets, income, and supply (section 32 funds).

3. Nutrition studies and education.—

(a) Nutrition studies and surveys—In fiscal year 1982, the funds appropriated for this purpose will be used for various studies, including a continuation of the evaluation of the school lunch and breakfast programs in response to S. Res. 90 and pilot projects testing the effectiveness of verifying income on a sample basis in the school feeding programs.

(b) Nutrition education and training.—Public Law 95–166 instituted a program of grants to the States for nutrition education in schools. In fiscal year 1982, $5,000,000 will be made available to the States for nutrition education.

For the child nutrition programs for fiscal year 1983, the Committee recommends an appropriation of $896,324,000 plus transfers from section 32 of $2,281,676,000 for a total program of $3,178,000,000. This is $331,162,000 more than the fiscal year 1982 program level and represents current estimates for fully funding the child nutrition programs.

Included in this bill is $5,000,000 to continue the nutrition education and training program (NET) in fiscal year 1983. This program is the first nationwide effort to provide nutrition education in the school system. Recent evaluations have shown it effective in improving students' knowledge of nutrition and have demonstrated reduced plate waste amongst students involved in the program. This latter finding alone is adequate justification for continuation of the program. The Committee has also included bill language providing a minimum NET grant of $50,000 for each State in cases where funds available for the program require a ratable reduction in the grants.

The Committee also recommends a bill provision that would require school food service authorities to submit final food service claims to the States within 60 days following the claim month. It would also require States to submit final operations reports to the Department of Agriculture within 90 days following the claim month. The Secretary of Agriculture would have discretion to grant exceptions to these deadlines for individual school food authorities. The proposal would result in the provision of more timely final program data, thereby improving fiscal accountability at the local, State, and Federal levels for the funds appropriated for child nutrition programs. This proposal would not affect outlays.

The Committee notes that the budget request was predicated on the enactment of major legislative revisions in several of the child nutrition programs which have not been acted upon by the Congress. The Committee is compelled, therefore, to fully fund these programs.

SPECIAL MILK PROGRAM

1982 appropriation	$28,100,000
1983 budget estimate	(1)
House allowance	28,100,000
Committee recommendation	20,100,000

[1] The fiscal year 1983 budget proposed discontinuation of this program.

The special milk program was originally designed to encourage the consumption of fluid whole milk by children in nonprofit schools of high school grade or under, summer camps, and similar institutions. The authority for the program is section 3 of the Child Nutrition Act of 1966.

The Omnibus Budget Reconciliation Act of 1981 limits participation in the special milk program to schools which do not participate in a meal service program authorized under the National School Lunch Act or the Child Nutrition Act of 1966. The Committee has, therefore, provided $20,100,000 to fully fund the program in those institutions which remain eligible. This is $8,000,000 less than the amount provided in 1982 and in the House bill. No request for an appropriation was made by the administration.

FEEDING PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

1982 appropriation	$904,320,000
1983 budget estimate	652,000,000
House allowance	652,000,000
Committee recommendation	1,060,000,000

The special supplemental food program (women, infants and children—WIC) is authorized by section 17 of the Child Nutrition Act of 1966, as amended. The program makes funds available to local health clinics through State departments of health and to Indian tribes to provide supplemental foods to low-income pregnant and lactating women, infants and children up to 5 years of age. The participants must be determined by medical or nutritional professionals to be at nutritional risk due to low income and inadequate nutrition.

For the special supplemental food programs for fiscal year 1983, the Committee recommends an appropriation of $1,060,000,000. This is $155,680,000 more than was provided in 1982, is $408,000,000 more than the budget estimate and the amount provided in the House bill.

The Committee believes that the WIC program may be the most effective nutrition assistance program administered by the Department. Recent studies of the WIC program have found a significant correlation between program participation and a reduction in the incidence of low birth weight infants. Other studies indicate that children entering the WIC program with a low-nutritional status are markedly improved by the program. The WIC program's impact on infant mortality, chronic ill health, birth defects, and subnormal development averts major medical

expenditures and reduces outlays in programs such as medicaid, SSI for disabled, and special education.

The budget request proposed transferring this program to the Department of Health and Human Services, and combining it with the maternal and child health block grant program. The Committee recommends rejecting this proposed transfer, so that this highly successful program will not lose its identity and public recognition. Congress has declined to authorize the operation of the WIC program as a block grant. The Committee has provided the fully authorized level of appropriation for the WIC program. Recent data indicates that participation is now approaching 2.4 million individuals. At that level, even the appropriation provided by the Committee may result in up to 100,000 persons having to be terminated from the program.

The Committee notes that the Child Nutrition Act of 1966 requires that "the Secretary shall reallocate funds periodically if the Secretary determines that a State agency is unable to spend its allocation." The Committee directs the Secretary to carry out the program in accordance with this authority and that he reallocate funds provided by this act amongst States in fiscal year 1983 in order to fully utilize the funding level provided.

The Committee is concerned by the recent use of the reallocation process to channel an excessive proportion of WIC funds into administrative costs. In recent years, some States receiving no additional funds for food in the reallocation process have still received substantial amounts of additional funds for administration. Some States have even been awarded more funds for administration at the same time they were turning back unused food funds. A State should be able to live within its basic WIC administrative grant for a fiscal year unless the State is receiving additional food funds during the fiscal year (through a reallocation) to serve more participants. The Committee will expect that except in unusual circumstances a State should not receive additional administrative funds as part of the reallocation process unless the State is receiving additional food funds at the same time. (One such exception might be where a State actually purchases and warehouses WIC foods.) The Committee intends that the Department take steps to assure that the proportion of reallocated funds provided for administration does not exceed the normal proportion of WIC appropriations provided for administration.

The Committee notes that there is a risk of State WIC programs shutting down in October for a period of time between enactment of appropriating legislation and allocation of WIC funds to States. This would result from the lack of carryover funds available in the States to allow continuation of the program. To avoid this potential shutdown, the Committee has included bill language directing that funds for the WIC program for the first quarter of the fiscal year be allocated immediately upon enactment. Any action by the Office of Management and Budget to delay apportionment of funds and preclude the Department from complying with this directive would be contrary to the intent of this language.

Bill language has also been included which directs that funds for the WIC program shall not be withheld from obligation unless the Congress formally approves a rescission of WIC funds. This is similar language as that contained in the continuing resolution last year. It is the Committee's concern that the withholding of funds, while a rescission or deferral message was pending in Congress, could result in thousands of individuals being terminated from the WIC program and an unnecessary interruption in the critical nutrition assistance provided by WIC.

It has been brought to the Committee's attention that the Food and Nutrition Service is considering regulations which would modify the foods currently allowed in the WIC food package to include such items as high-sugar cereals and chocolate milk. The Committee notes that regulations were published in November 1980, which refined the WIC food package and specifically limited the amount of sugar allowable in WIC-authorized cereals. The WIC program is intended to specifically address nutritional deficiencies in the diets of individuals determined to be at nutritional risk. The Committee believes any action to decrease the nutritional quality of the WIC food package is unjustified. Therefore, the Committee has included a general provision in the bill which would prohibit any funds contained in this act to be used to place in effect any rule or regulation which would not maintain or enhance the nutritional integrity of the foods available under the WIC program.

COMMODITY SUPPLEMENTAL FOOD PROGRAM (CSFP)

1982 appropriation	$29,760,000
1983 budget estimate	
House allowance	32,600,000
Committee recommendation	32,600,000

The commodity supplemental food program (CSFP) provides supplemental food to infants and children up to age 6, and to pregnant, postpartum and breast-feeding women who are at nutrition risk and with low incomes who reside in approved project areas. In addition, this program is operating pilot commodity distribution projects directed at low-income elderly persons.

For the commodity supplemental food program, the Committee recommends an appropriation of $32,600,000, an increase of $2,840,000 above the amount appropriated for fiscal year 1982, and an increase of $32,600,000 above the budget request, and is the same level provided by the House.

In concurring with the level provided by the House, the Committee likewise concurs with the directive that $900,000 be utilized for the operation of senior citizen commodity supplemental pilot projects in Detroit, Des Moines, and New Orleans. The Committee has been advised by the Department that this amount is adequate to fund pilot projects in all three cities. The Committee will expect a report on the effectiveness of these projects in providing nutrition assistance to senior citizens.

The Committee has continued bill language which will allow CSFP funds to remain available for a 2-year period.

FOOD STAMP PROGRAM

1982 appropriation	[1] $11,300,000,000
1983 budget estimate	9,541,707,000
House allowance	9,541,707,000
Committee recommendation	10,896,000,000

[1] Includes a fiscal year 1982 supplemental of $1,006,616,000.

The food stamp program helps to increase the food purchasing power of eligible households by enabling them to purchase food through regular retail stores with food stamp coupons. Participating households receive food stamps based on household sizes and incomes.

Food stamps are issued through State social service agencies at the county level, which assume responsibility for the certification of eligible households and for issuing the correct amount of food stamps through suitable issuance outlets. State administrative costs associated with the program are shared by the States and the Federal Government on a 50–50 basis. The food stamp program is in operation in all 50 States, the Virgin Islands, Guam, and the District of Columbia.

For the food stamp program for fiscal year 1983, the Committee recommends an appropriation of $10,896,000,000. This is $404,000,000 less than was provided in 1982, and $1,354,293,000 more than the budget estimate and the amount provided in the House bill.

The Committee notes that the budget request was predicated on substantial legislative changes in the food stamp program.The Omnibus Budget Reconciliation Act of 1982 included program changes that will result in $2,000,000,000 in program savings during the period of fiscal years 1983–85. The funding level provided by the Committee reflects current estimates of the level of funding necessary to fully fund the program.

The funding level provided by the Committee assumes rates of inflation and unemployment levels consistent with the administration's current projections. Should these projections prove too optimistic and should delays occur in implementation of changes made in the program by the Omnibus Budget Reconciliation Act, food stamp costs will, undoubtedly, increase. The Committee believes it would be unjust for program recipients to suffer benefit reductions due to inaccurate projections of program cost. Therefore, no action should be taken by the administration to reduce benefit levels in accordance with section 18(b) of the Food Stamp Act without the Congress being given ample opportunity to consider required supplemental funding.

The Committee remains concerned over the apparent inadequacy of current predictive models used by the Department in estimating food stamp program funding requirements. Concern has been raised that current assumptions regarding the relationship between food stamp costs and unemployment rates may not be accurate. The Committee believes it is imperative that reliable means for estimating food stamp costs be available for the Congress and the administration to be used in budget development. Therefore, the Committee directs that within funds available for studies of the food stamp program the Department undertake an effort to improve its current food stamp estimate model.

NUTRITION ASSISTANCE FOR PUERTO RICO

1982 appropriation	.....
1983 budget estimate	$825,000,000
House allowance	825,000,000
Committee recommendation	825,000,000

The Omnibus Budget Reconciliation Act of 1981 (Public Law 97–35) authorized a block grant for nutrition assistance to Puerto Rico which will give the Commonwealth broad flexibility to establish a food assistance program that is specifically tailored to the needs of its low-income households.

For nutrition assistance to Puerto Rico, the Committee recommends an appropriation of $825,000,000, an increase of $825,000,000 above the amount appropriated for fiscal year 1982, the full amount of the budget request, and the same as the amount provided by the House.

FOOD DONATIONS PROGRAMS

1982 appropriation	$141,420,000
1983 budget estimate	153,200,000
House allowance	165,200,000
Committee recommendation	156,266,000

The Agriculture and Consumer Protection Act of 1973, as amended (7 U.S.C. 612c (note)) provides for a directly funded food distribution program for needy persons. This program attempts to alleviate hunger and malnutrition in low-income households by providing nutritious agricultural commodities to eligible persons. This program also funds commodity support for elderly feeding programs under title III of the Older Americans Act of 1956. Donated foods are used in meals served in the senior citizens centers or similar settings. States may elect cash in lieu of commodities.

For the food donations program for fiscal year 1983, the Committee recommends an appropriation of $156,266,000. This is $14,846,000 more than was provided in 1982, $3,066,000 more than in the budget estimate, and $8,934,000 less than the amount provided in the House bill.

The budget request proposed the transfer of the elderly feeding program to the Department of Health and Human Services. The Committee concurs with the House in rejecting this proposal and continuing to provide commodity support to the Administration on Aging at the current services level.

FOOD PROGRAM ADMINISTRATION

1982 appropriation	$86,461,000
1983 budget estimate	85,477,000
House allowance	80,146,000
Committee recommendation	82,976,000

The appropriation provides for the Federal operating expenses of the Food and Nutrition Service related to the administration of the child nutrition programs, special milk program, special supplemental food program (WIC), food stamp program, and food donations program appropriations.

For food program administration for fiscal year 1983, the Committee recommends an appropriation of $82,976,000. This is $3,485,000 less

than was provided in 1982, $2,501,000 less than the budget estimate, and $2,830,000 more than the amount provided in the House bill.

The additional amount of $2,830,000 over the House allowance is recommended by the Committee to provide adequate funds to administer the special supplemental food programs and the elderly feeding programs. The budget request was based on proposed legislation that would transfer these programs to the Department of Health and Human Services. Since no transfer has occurred, nor is any such transfer expected to occur in fiscal year 1983, the Committee has restored the food program administration funds associated with the cost of these two program areas.

As previously discussed, a new account has been established for standard level user charges (SLUC). Consequently, there has been a reduction in this account of $5,454,000 for SLUC.

Additionally, as previously discussed, a new account has been established for advisory committees. Consequently, there has been a reduction in this account of $127,000 for advisory committees.

The Committee concurs with the direction of the House that CCC funds shall be used, as currently authorized by the Corporation's Charter, to provide reimbursement for reasonable costs associated with the ongoing distribution of surplus commodities at the local level.

The Committee notes recent reports that the Department is considering providing surplus commodities directly to private firms for processing into products able to be used in the school lunch and other institutional feeding programs of the Federal Government. The Committee will expect to be kept fully informed of any action proposed in this area prior to its implementation.

HUMAN NUTRITION INFORMATION SERVICE

1982 appropriation	(1)
1983 budget estimate	$8,289,000
House allowance	8,096,000
Committee recommendation	8,096,000

[1] Excludes $8,732,000 transferred from Agricultural Research Service and $471,000 from the National Agricultural Library.

The Human Nutrition Information Service (HNIS) was established October 1, 1981, by the Secretary's memorandum No. 1000–1 issued pursuant to Reorganization Plan No. 2 of 1953 (7 U.S.C. 2201). The functions of this agency were formerly carried out in the Agricultural Research Service and the National Agricultural Library. HNIS activities fall into two broad categories: Research, analysis, and technical assistance and information collection and dissemination.

Research, analysis, and technical assistance is concerned with the conduct and interpretation of applied research in human nutrition to improve professional and public understanding of the nutritional adequacy of diets and food supplies as well as the nutritive value of food and to develop knowledge needed to improve the nutritional quality of diets, thereby improving the general health of the American public.

Information collection and dissemination is concerned with the collecting, disseminating, and consulting on technical, educational, and

nonprint material and information on food use, food management, and human nutrition problems.

For the Human Nutrition Information Service for fiscal year 1983, the Committee recommends $8,096,000. This is $193,000 less than the budget estimate and the same amount as provided in the House bill. In 1982, funding for the activities now carried out by this office was provided by appropriations for the Agricultural Research Service and the National Agricultural Library.

As previously discussed, a new account has been established for standard level user charges (SLUC). Consequently, there has been a reduction in this account of $193,000 for SLUC.

TITLE IV—INTERNATIONAL PROGRAMS

FOREIGN AGRICULTURAL SERVICE

1982 appropriation	[1] $68,236,000
1983 budget estimate	79,207,000
House allowance	70,947,000
Committee recommendation	77,961,000

[1] Includes pay supplemental of $542,000.

The appropriation of the Foreign Agricultural Service (FAS) funds the activities authorized by the Agricultural Act of 1954 (Public Law 690) and the Agricultural Trade Development and Assistance Act of 1954, as amended. The activities carried out include:

1. Collecting, interpreting and analyzing marketing, economic and trade information from foreign areas essential to the administration of U.S. foreign agricultural policies and programs; this information is disseminated to farmers for use in planning and marketing decisions.
2. Providing guidance and field supervision in friendly countries with developing markets and implementing related projects.
3. Representing global U.S. agricultural trade policy interests, particularly emphasizing obtaining improved access for U.S. farm exports.
4. Contributing mission support including guidance and assistance to agricultural development programs in less-developed friendly countries.
5. Providing representation at international meetings, assistance to U.S. delegates attending international agricultural fora, and service too other USDA agency programs.

For the Foreign Agricultural Service for fiscal year 1983, the Committee recommends an appropriation of $77,961,000. This is $9,725,000 more than was provided in 1982, $1,246,000 less than the budget estimate, and $7,014,000 more than the amount provided in the House bill. The Committee does not concur with the House action to delete $7,014,000 for LANDSAT costs and, thus, restores that amount to the House allowance.

The Committee wishes to emphasize again its strong support for increased efforts to expand market development activities overseas. The current surplus of U.S. agricultural commodities makes the need for active foreign markets greater than ever before. The Committee commends FAS for its efforts to expand market development activities and encourages FAS to continue to make market development a top priority.

As previously discussed, a new account has been established for standard level user charges (SLUC). Consequently, there has been a reduction in this account of $1,152,000 for SLUC.

Additionally, as previously discussed, a new account has been established for advisory committees. Consequently, there has been a reduction in this account of $94,000 for advisory committees.

GENERAL SALES MANAGER

(ALLOTMENT FROM COMMODITY CREDIT CORPORATION)

1982 allotment	($5,436,000)
1983 budget estimate	(5,599,000)
House allowance	(5,599,000)
Committee recommendation	(5,599,000)

The General Sales Manager has responsibility for formulating policies and conducting programs for Public Law 480, for commercial export credit sales, for noncommercial risk assurance, for standby programs for barter, export sales of most CCC-owned commodities, export payments and other programs as assigned to encourage or cause the export of U.S. agricultural commodities, and for monitoring of and publishing data on export sales by private U.S. exporters.

For the General Sales Manager, the Committee recommends a transfer of $5,599,000 from Commodity Credit Corporation funds, an increase of $163,000 over the amount available for fiscal year 1982. This is the same level contained in the House bill and in the budget estimate.

PUBLIC LAW 480

1982 appropriation	$1,000,000,000
1983 budget estimate	1,028,000,000
House allowance	1,028,000,000
Committee recommendation	1,028,000,000

Facilities and funds of the Commodity Credit Corporation are, by law, used in carrying out programs for exporting agricultural commodities. The law also authorizes appropriations to be made to cover the costs of such programs. When funds become available, advances are made to the Corporation for estimated costs. If the amounts appropriated are greater than actual needs, the excess is used to reduce future appropriation requests. Because of these various funding authorities, actual program levels vary from the amounts provided in the appropriations bill.

The following activities are currently being carried out under the Agricultural Trade Development and Assistance Act of 1954, Public Law 480, 83d Congress, as amended:

1. Financing the sale of agricultural commodities for convertible foreign currencies and for dollars on credit terms (titles I and III) (7 U.S.C. 1701–1715, 1727–1727f).—Title I of the legislation authorizes sales for convertible foreign currencies and for dollars on credit terms, and for financing commodities exported under title III food for development programs. Sales for dollars or convertible foreign currencies may be made with foreign governments or United States and foreign private trade entities. Credit terms as favorable to the United States as the economy of the foreign country will permit but not less than for develop-

ment loans made under section 201 of the Foreign Assistance Act of 1961, as amended, are allowed under the legislation.

2. Commodities supplied in connection with dispositions abroad (Title II) (7 U.S.C. 1721–1726).—Commodities are supplied without cost to friendly nations and friendly peoples in times of famine or other emergency relief needs, to combat malnutrition, and to promote economic and community development in underdeveloped countries. The Corporation pays ocean freight on shipments under this title, and may also pay overland transportation costs to a landlocked country. Each year, up to $7,500,000 of foreign currencies accruing under title I may be purchased from this appropriation to meet costs of self-help activities (other than personnel and administrative) of cooperating groups.

For Public Law 480 for fiscal year 1983, the Committee recommends an appropriation of $1,028,000,000. This is $28,000,000 more than was provided in 1982 and the same amount as in the budget estimate and in the House bill.

The Committee action reflects an appropriation of $378,000,000 for titles I and III and $650,000,000 for title II. These are the same levels as proposed in the budget estimate.

The Committee notes that in accordance with the transfer authority of section 302(c), $37,000,000 was recently transferred out of title II into title I account. Diversions from title II detract from the ability of voluntary agencies to meet pressing humanitarian and development needs. To better insure that funds appropriated for title II are used for these purposes, the Committee encourages that: (1) anticipated commodity price guidelines which qualitatively and quantitatively affect title II decisions be made known in a routine and timely manner to voluntary organizations and USAID missions; (2) operating reserves for ongoing title II programs be increased to at least 15 percent in order to prevent program disruptions and provide some scope for legitimate program expansion; (3) minimal amounts of commodities be set aside for unforeseen emergency uses and consideration be given to using emergency reserves for special projects such as food for work; and (4) efforts be made to insure that transfers between titles in accordance with section 403(c) not be at the expense of ongoing title II programs and that any transfers not exceed 10 percent of the funds available for commodities for carrying out any title of this act.

With regard to title II, the Committee believes that the utilization of blended, fortified, and processed domestic products whenever possible will further the nutritional goals of title II while increasing the total exports of value added products.

Office of International Cooperation and Development

1982 appropriation	$3,627,000
1983 budget estimate	3,703,000
House allowance	3,578,000
Committee recommendation	3,578,000

The Office of International Cooperation and Development was established in May, 1978, and is responsible for coordinating, planning

and directing the Department's programs in international development and technical cooperation in food and agriculture. The organization also manages international research activities formerly administered by the Science and Education Administration. This includes coordination of bilateral research.

The staff utilizes resources of Department of Agriculture agencies, and maintains close relationships with the Agency for International Development, other Government agencies, land-grant universities, and international organizations. Activities include technical assistance to developing countries, the arrangement of training of international participants in the United States and overseas, and the implementation of the development aspects of food assistance programs. Services provided are also financed by reimbursements of funds from AID, other institutions, and contracting nations.

For the Office of International Cooperation and Development for fiscal year 1983, the Committee recommends an appropriation of $3,578,000. This is $49,000 less than was provided in 1982, $125,000 less than the budget estimate, and the same amount as provided in the House bill.

As previously discussed, a new account has been established for standard level user charges (SLUC). Consequently, there has been a reduction in this account of $125,000 for SLUC.

TITLE V—RELATED AGENCIES

DEPARTMENT OF HEALTH AND HUMAN SERVICES

FOOD AND DRUG ADMINISTRATION

The programs of the Food and Drug Administration (FDA) are designed to achieve consumer protection by insuring that foods are safe, pure, and wholesome; that human and animal drugs, biological products, and therapeutic devices are safe and effective; and radiological products and their operation do not result in unnecessary exposure to radiation.

To accomplish its mission, FDA sets food and product standards; evaluates the safety and efficacy of new drugs before they are marketed; conducts and sponsors research to detect health hazards and violations of consumer laws or regulations; informs business firms and consumers about FDA related topics; works with State and local agencies to develop programs that will supplement or complement those of FDA; maintains surveillance over foods, drugs, and electronic products to insure that they are safe, effective, and honestly labeled; and takes legal action where necessary to remove violative products from the marketplace and to prosecute firms or individuals that violate the law.

The programs in support of these objectives are encompassed within five budget activities: (1) foods, (2) drugs and devices, (3) radiological products, (4) National Center for Toxicological Research, and (5) program management.

SALARIES AND EXPENSES

1982 appropriation	[1] $338,332,000
1983 budget estimate	356,163,000
House allowance	330,188,000
Committee recommendation	330,188,000

[1] Includes pay supplemental of $10,300,000.

For salaries and expenses for fiscal year 1983, the Committee recommends $330,188,000. This is $8,144,000 less than the amount appropriated in fiscal year 1982, the same amount as the House allowance, and $25,975,000 less than the budget estimate.

The Committee concurs with House action to remove that portion of the allowance for standard level user charges (SLUC) and has included those funds in a separate appropriation account.

The Committee is concerned about the ongoing problem of honey adulteration. This problem appears to be growing in magnitude despite increased seizures of adulterated product. Adulteration threatens the viability of the domestic honey industry which is already suffering the effects of increased import competition. Therefore, the Committee ex-

pects that, within funds and resources available, the Food and Drug Administration will redouble its efforts to diminish honey adulteration. To the extent practical, this should include at-the-source actions against offending companies.

The problem of orange juice adulteration is serious and expanding. Orange juice adulteration occurs when packers mix sugar, water, and orange pulpwash with pure frozen concentrated orange juice and then label it 100 percent pure orange juice. This practice negatively affects the orange juice industry, defrauds the consumer and is illegal. In 1980, the Committee directed the Food and Drug Administration to actively combat the orange juice adulteration problem. While some initial progress was made, the problem of adulteration has increased. The Committee is not satisfied that the present level of effort by FDA will result in any meaningful abatement of illegal adulteration. Recognizing the limited resources of FDA, the Florida Citrus Commission (an agency of the State of Florida) has available $500,000 for use in combating this serious threat to the well-being of the citrus industry. The Committee believes this action by the Citrus Commission presents an excellent opportunity to address this problem at little cost to the Federal Government. The Committee directs FDA to cooperate with the Florida Citrus Commission in developing a feasible plan to contain the problem of illegal adulteration. The FDA will report to the Committee as soon as is practical as to the progress made in complying with the Committee's directive.

Standard Level User Charges

1982 appropriation	[1] ($18,942,000)
1983 budget estimate	[1] (24,699,000)
House allowance	18,942,000
Committee recommendation	18,942,000

[1] Shown for comparison purposes, included under salaries and expenses account.

The Committee recommends an appropriation of $18,942,000 for standard level user charges for the Food and Drug Administration. This is in concurrence with House action to establish this new account. Standard level user charges are explained in detail in title I of this report.

Commodity Futures Trading Commission

1982 appropriation	[1] $20,712,000
1983 budget estimate	22,999,000
House allowance	22,592,000
Committee recommendation	22,999,000

[1] Includes pay supplemental of $788,000.

The Commodity Futures Trading Commission (CFTC) was established as an independent agency by the Commodity Futures Trading Commission Act of 1974 (88 Stat. 1389; 7 U.S.C. 4a).

The Commodity Futures Trading Commission (CFTC) administers the Commodity Exchange Act of 1936, as amended by the Commodity Futures Trading Commission Act of 1974 and the Futures Trading Act

of 1978. The act brought under Federal regulation futures trading in all goods, articles, services, rights, and interests; commodity options trading; and leverage trading in gold and silver bullion and coins; and otherwise strengthened the regulation of the commodity futures trading industry. It established a comprehensive regulatory structure to oversee the volatile futures trading complex.

The purpose of the Commission is to protect and to further the economic utility of futures markets by encouraging their efficiency, assuring their integrity, and by protecting participants against manipulation, abusive trade practices, fraud, and deceit. The objective is to enable the markets better to serve their designated functions of providing a price discovery mechanism and providing price risk insurance. In properly serving these functions, the futures markets contribute toward better planning, more efficient distribution and consumption, and more economical marketing. In these ways they serve the national public interest.

Programs in support of the overall mission include market surveillance; research and education; registration, audits and contract markets; and enforcement. CFTC activities are carried out in Washington, D.C., four regional offices located in Chicago, New York, Kansas City, and San Francisco; and a branch office located in Minneapolis.

For the Commodity Futures Trading Commission for fiscal year 1983, the Committee recommends an appropriation of $22,999,000. This is $2,287,000 more than was provided in 1982, the same amount as the budget estimate, and $407,000 more than the amount in the House bill. This additional amount is restored to fund the continuation of the automated data processing capability of CFTC.

Farm Credit Administration

LIMITATION ON ADMINISTRATIVE EXPENSES

1982 limitation	[1] ($16,372,000)
1983 budget estimate	(17,954,000)
House allowance	(17,954,000)
Committee recommendation	(17,954,000)

[1] Includes supplemental increase in the limitation of $259,000.

The Farm Credit Administration is the independent Federal agency responsible for the regulation, supervision, and examination of the borrower-owned banks and associations that comprise the cooperative farm credit system.

Activities of the Farm Credit Administration include assistance in financing and investments, credit analysis, development of appraisal standards and policies, preparation of reports and budgets, and preparation and distribution of information on agricultural credit and the services offered by the various institutions of the system. The administration also issues regulations governing the lending activities and operations of the institutions under its supervision.

The administration and the institutions under its supervision now operate under authorities contained in the Farm Credit Act of 1971, Public Law 92–181, effective December 10, 1971, as amended by Public Law 96–592, effective December 24, 1980. The act provides for the

farmer-owned cooperative system to make credit available to farmers and ranchers, for rural residences, and to cooperatives and other borrowers for farm related businesses upon which farming operations are dependent, to provide for an adequate and flexible flow of money into rural areas, and to modernize and to consolidate existing farm credit law to meet current and rural credit needs.

All expenses of the activities and personnel of the Farm Credit Administration are paid by assessments collected from the banks of the farm credit system.

For the limitation on administrative expenses of the Farm Credit Administration for fiscal year 1983, the Committee recommends $17,954,000. This is $1,582,000 more than the limitation in 1982, and is the same as the budget estimate and the House allowance.

TITLE VI—GENERAL PROVISIONS

Sections 601 through 620 of the General Provisions contained in the accompanying bill for fiscal year 1983 are essentially the same as those included in previous appropriation bills.

Section 625 is discussed previously in the report under the discussion of the special supplemental feeding program for women, infants, and children.

Compliance With Rule XVI, Paragraph 7

Rule XVI, paragraph 7 states:

> "Every report on general appropriation bills filed by the Committee on Appropriations shall identify with particularity each recommended amendment which proposes an item of appropriation which is not made to carry out the provisions of an existing law, a treaty stipulation, or an act or resolution previously passed by the Senate during that session."

All accounts for the Farmers Home Administration except the Agricultural Credit Insurance Fund and the account for the Commodity Futures Trading Commission would fall under this rule.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1982 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1983

[Amounts in dollars]

Item	1982 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or −)		
					1982 Appropriation	Budget estimate	House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
TITLE I - AGRICULTURAL PROGRAMS							
PRODUCTION, PROCESSING AND MARKETING							
Office of the Secretary	4,999,000	5,406,000	3,884,000	3,884,000	-1,115,000	-1,522,000	---
Standard Level User Charges, USDA	---	---	56,377,000	56,377,000	+56,377,000	+56,377,000	---
Advisory Committees, USDA	---	---	1,398,000	1,398,000	+1,398,000	+1,398,000	---
Departmental Administration	15,018,000	13,647,000	13,166,000	13,166,000	-1,852,000	-481,000	---
Office of Governmental and Public Affairs	8,216,000	7,288,000	6,677,000	6,677,000	-1,539,000	-611,000	---
Office of Congressional Affairs	412,000	464,000	439,000	439,000	+27,000	-25,000	---
Office of the Inspector General	28,255,000	33,769,000	27,943,000	27,943,000	-312,000	-5,826,000	---
(Transfer from food stamp program)	(13,651,000)	(10,149,000)	(14,270,000)	(14,270,000)	(+619,000)	(+4,121,000)	---
Total, Office of the Inspector General	(41,906,000)	(43,918,000)	(42,213,000)	(42,213,000)	(+307,000)	(-1,705,000)	---
Office of the General Counsel	13,263,000	13,689,000	12,386,000	12,386,000	-877,000	-1,303,000	---
(Transfer from food stamp program)	(508,000)	(508,000)	(628,000)	(628,000)	(+120,000)	(+120,000)	---
Federal Grain Inspection Service	5,600,000	5,195,000	5,369,000	5,369,000	-231,000	+174,000	---
Inspection and Weighing Services (limitation on administrative expenses)	(60,260,000)	(44,313,000)	(44,313,000)	(44,313,000)	(-15,947,000)	---	---

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1982 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1983—Continued

[Amounts in dollars]

Item	1982 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or −)		
					1982 Appropriation	Budget estimate	House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Agricultural Research Service	432,410,000	468,548,000	451,530,000	455,201,000	+22,791,000	-13,347,000	+3,671,000
Special fund	2,000,000	---	2,000,000	2,000,000	---	+2,000,000	---
Buildings and facilities	8,596,000	---	850,000	2,750,000	-5,846,000	+2,750,000	+1,900,000
Scientific activities overseas (foreign currency program)	450,000	2,977,000	2,977,000	2,977,000	+2,527,000	---	---
Cooperative State Research Service	221,216,000	232,103,000	230,082,000	246,953,000	+25,737,000	+14,850,000	+16,871,000
Extension Service	315,702,000	311,911,000	327,027,000	326,610,000	+10,908,000	+14,699,000	-417,000
National Agricultural Library	8,750,000	9,016,000	8,849,000	8,849,000	+99,000	-167,000	---
Total, Research and Extension	989,124,000	1,024,555,000	1,023,315,000	1,045,340,000	+56,216,000	+20,785,000	+22,025,000
Animal and Plant Health Inspection Service:							
Salaries and expenses	281,967,000	227,533,000	266,531,000	270,332,000	-11,635,000	+42,799,000	+3,801,000
Buildings and facilities	3,000,000	2,386,000	2,386,000	2,386,000	-614,000	---	---
Total, Animal & Plant Health Inspection Service	284,967,000	229,919,000	268,917,000	272,718,000	-12,249,000	+42,799,000	+3,801,000
Food Safety and Inspection Service	333,272,000	319,876,000	315,557,000	315,557,000	-17,715,000	-4,319,000	---
Economic Research Service	39,360,000	40,584,000	37,251,000	38,251,000	-1,109,000	-2,333,000	+1,000,000
Statistical Reporting Service	51,636,000	53,694,000	50,823,000	51,185,000	-451,000	-2,509,000	+362,000
Agricultural Cooperative Service	4,639,000	3,683,000	3,999,000	5,000,000	+361,000	+1,317,000	+1,001,000
World Agricultural Outlook Board	1,491,000	1,535,000	1,353,000	1,453,000	-38,000	-82,000	+100,000

Agricultural Marketing Service:							
Marketing Services	24,011,000	31,370,000	31,912,000	30,412,000	+6,401,000	-958,000	-1,500,000
(Limitation on administrative expenses)	(23,000,000)	---	(30,910,000)	(30,910,000)	(+7,910,000)	(+30,910,000)	---
Funds for strengthening markets, income, and supply (Section 32) (by transfer)	(5,670,000)	(4,729,000)	(5,670,000)	(5,670,000)	---	(+941,000)	---
(Increase in limitation)	(190,000)	---	---	---	(-190,000)	---	---
Transportation Office	2,400,000	2,398,000	2,367,000	2,367,000	-33,000	-31,000	---
Payments to States and possessions	1,000,000	---	1,000,000	1,000,000	---	+1,000,000	---
Total, Agricultural Marketing Service	27,411,000	33,768,000	35,279,000	33,779,000	+6,368,000	+11,000	-1,500,000
Packers and Stockyards Administration	9,183,000	8,564,000	8,268,000	8,668,000	-515,000	+104,000	+400,000
Total, Production, Processing and Marketing	1,816,846,000	1,795,636,000	1,872,401,000	1,899,590,000	+82,744,000	+103,954,000	+27,189,000
FARM INCOME STABILIZATION							
Agricultural Stabilization and Conservation Service:							
Salaries and expenses	63,077,000	62,046,000	54,699,000	55,962,000	-7,115,000	-6,084,000	+1,263,000
(Transfer from Commodity Credit Corporation)	(314,681,000)	(314,818,000)	(314,818,000)	(314,818,000)	(+137,000)	---	---
Total, salaries and expenses, ASCS	(377,758,000)	(376,864,000)	(369,517,000)	(370,780,000)	(-6,978,000)	(-6,084,000)	(+1,263,000)
Dairy indemnity program	176,000	---	7,000,000	7,000,000	+6,824,000	+7,000,000	---
Total, Agricultural Stabilization and Conservation Service	63,253,000	62,046,000	61,699,000	62,962,000	-291,000	+916,000	+1,263,000
CORPORATIONS							
Federal Crop Insurance Corporation:							
Administrative and operating expenses	117,600,000	293,703,000	262,140,000	235,200,000	+117,600,000	-58,503,000	-26,940,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1982 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1983—Continued

[Amounts in dollars]

Item	1982 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or −)		
					1982 Appropriation	Budget estimate	House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Subscription to capital stock	250,000,000	250,000,000	200,000,000	150,000,000	-100,000,000	-100,000,000	-50,000,000
Federal crop insurance corporation fund	57,456,000	173,233,000	143,233,000	143,233,000	+85,777,000	-30,000,000	---
Total, Federal Crop Insurance Corporation	425,056,000	716,936,000	605,373,000	528,433,000	+103,377,000	-188,503,000	-76,940,000
Commodity Credit Corporation:							
Reimbursement for net realized losses	7,043,229,000	3,783,244,000	3,783,244,000	3,783,244,000	-3,259,985,000	---	---
(Direct loans)	---	---	(500,000,000)	(500,000,000)	(+500,000,000)	(+500,000,000)	---
Authority to borrow	5,000,000,000	---	---	---	-5,000,000,000	---	---
(Limitation on administrative expenses)	(2,200,000,000)	---	---	---	(-2,200,000,000)	---	---
Total, Farm Income Stabilization	12,531,538,000	4,562,226,000	4,450,316,000	4,374,639,000	-8,156,899,000	-187,587,000	-75,677,000
Total, title I, new budget (obligational) authority, Agricultural Programs	14,348,384,000	6,357,862,000	6,322,717,000	6,274,229,000	-8,074,155,000	-83,633,000	-48,488,000
TITLE II - RURAL DEVELOPMENT PROGRAMS							
RURAL DEVELOPMENT ASSISTANCE							
Office of Rural Development Policy:							
Salaries and expenses 1/	---	2,501,000	2,142,000	2,000,000	+2,000,000	-501,000	-142,000

1/ Previously financed under FmHA Salaries & expenses.

Farmers Home Administration:							
Rural Housing Insurance Fund:							
Direct loans	(24,000,000)	(24,000,000)	(24,000,000)	(24,000,000)	---	---	---
Insured loans	(3,700,600,000)	(1,121,000,000)	(3,261,000,000)	(3,391,000,000)	(-309,600,000)	(+2,270,000,000)	(+130,000,000)
Guaranteed loans	---	---	---	---	---	---	---
Construction defects authorization	(2,000,000)	---	---	---	(-2,000,000)	---	---
Rent supplement authorization	(398,000,000)	---	(73,745,000)	(173,745,000)	(-224,255,000)	(+173,745,000)	(+100,000,000)
Miscellaneous offsetting adjustments	---	---	---	---	---	---	---
Reimbursement for interest and other losses	575,087,000	1,109,722,000	1,109,722,000	1,109,722,000	+534,635,000	---	---
Total, Rural Housing Insurance Fund	(4,301,687,000)	(2,254,722,000)	(4,394,722,000)	(4,524,722,000)	(+223,035,000)	(+2,270,000,000)	(+130,000,000)
Agricultural Credit Insurance Fund:							
Real estate loans:							
Insured	(773,600,000)	(737,000,000)	(759,100,000)	(737,000,000)	(-36,600,000)	---	(-22,100,000)
Guaranteed	(131,000,000)	(81,000,000)	(81,000,000)	(81,000,000)	(-50,000,000)	---	---
Total, real estate loans	(904,600,000)	(818,000,000)	(840,100,000)	(818,000,000)	(-86,600,000)	---	(-22,100,000)
Soil conservation loans	(30,000,000)	---	(30,000,000)	(30,000,000)	---	(+30,000,000)	---
Operating loans:							
Insured	(1,325,000,000)	(1,460,000,000)	(1,460,000,000)	(1,460,000,000)	(+135,000,000)	---	---
Guaranteed	(50,000,000)	(50,000,000)	(50,000,000)	(50,000,000)	---	---	---
Total, operating loans	(1,375,000,000)	(1,510,000,000)	(1,510,000,000)	(1,510,000,000)	(+135,000,000)	---	---
Emergency disaster loans	(1,600,000,000)	(1,540,000,000)	(1,540,000,000)	(1,540,000,000)	(-60,000,000)	---	---
Reimbursement for interest and other losses	464,083,000	682,074,000	682,074,000	682,074,000	+217,991,000	---	---
Total, Agricultural Credit Insurance Fund	(6,653,283,000)	(6,878,074,000)	(6,952,274,000)	(6,908,074,000)	(+254,791,000)	(+30,000,000)	(-44,200,000)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1982 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1983—Continued

[Amounts in dollars]

Item	1982 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or −)		
					1982 Appropriation	Budget estimate	House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Rural Development Insurance Fund:							
Reimbursement for losses	180,040,000	336,217,000	336,217,000	336,217,000	+156,177,000	---	---
Water and sewer facility loans	(375,000,000)	(300,000,000)	(375,000,000)	(300,000,000)	(-75,000,000)	---	(-75,000,000)
Industrial development loans:							
Guaranteed	(300,000,000)	---	(300,000,000)	(350,000,000)	(+50,000,000)	(+350,000,000)	(+50,000,000)
Alcohol production facilities loans							
(Limitation on guaranteed loans)	(250,000,000)	---	---	---	(-250,000,000)	---	---
Community facility loans	(130,000,000)	(130,000,000)	(130,000,000)	(130,000,000)	---	---	---
Total, Rural Development Insurance Fund	(1,235,040,000)	(766,217,000)	(1,141,217,000)	(1,116,217,000)	(-118,823,000)	(+350,000,000)	(-25,000,000)
Rural water and waste disposal grants	125,000,000	120,000,000	125,000,000	125,000,000	---	+5,000,000	---
Very low-income housing repair grants	15,000,000	12,500,000	12,500,000	12,500,000	-2,500,000	---	---
Rural housing for domestic farm labor 2/	13,750,000	12,500,000	---	10,000,000	-3,750,000	-2,500,000	+10,000,000
Mutual and self-help housing	3,950,000	---	5,000,000	15,000,000	+11,050,000	+15,000,000	+10,000,000
Self-help housing land development fund:							
(Limitation on direct loans)	(2,000,000)	---	---	---	(-2,000,000)	---	---
Rural community fire protection grants	3,250,000	---	3,250,000	3,250,000	---	+3,250,000	---
Compensation for construction defects 3/	---	2,000,000	2,000,000	2,000,000	+2,000,000	---	---
Rural rental assistance payments 3/	---	185,000,000	---	---	---	-185,000,000	---

Salaries and expenses	281,510,000	294,206,000	286,870,000	291,706,000	+10,196,000	-2,500,000	+4,836,000
(Transfer from loan accounts)	(3,500,000)	(3,500,000)	(6,000,000)	(6,000,000)	(+2,500,000)	(+2,500,000)	---
Total, salaries and expenses	(285,010,000)	(297,706,000)	(292,870,000)	(297,706,000)	(+12,696,000)	---	(+4,836,000)
Total, Farmers Home Administration	1,661,670,000	2,754,219,000	2,562,633,000	2,587,469,000	+925,799,000	-166,750,000	+24,836,000
Rural Electrification Administration:							
Rural electrification & telephone revolving fund:							
Direct loans:							
Insured loans:							
Electric	(850,000,000)	(625,000,000)	(850,000,000)	(850,000,000)	---	(+225,000,000)	---
Telephone	(250,000,000)	(75,000,000)	(250,000,000)	(250,000,000)	---	(+175,000,000)	---
Total, Insured loans	(1,100,000,000)	(700,000,000)	(1,100,000,000)	(1,100,000,000)	---	(+400,000,000)	---
Guaranteed loans:							
Electric	(5,000,000,000)	(3,615,000,000)	(4,600,000,000)	(4,600,000,000)	(-400,000,000)	(+985,000,000)	---
Telephone	(145,000,000)	(145,000,000)	(145,000,000)	(145,000,000)	---	---	---
Total, Guaranteed loans	(5,145,000,000)	(3,760,000,000)	(4,745,000,000)	(4,745,000,000)	(-400,000,000)	(+985,000,000)	---
Rural telephone bank	(30,000,000)	---	(30,000,000)	(30,000,000)	---	(+30,000,000)	---
Direct loans	(160,000,000)	(185,000,000)	(185,000,000)	(185,000,000)	(+25,000,000)	---	---
Rural communication development fund:							
Rural communication development fund	---	91,000	91,000	91,000	+91,000	---	---
Salaries and expenses	30,273,000	30,340,000	28,945,000	28,945,000	-1,328,000	-1,395,000	---
Total, Rural Electrification Administration	30,273,000	30,431,000	29,036,000	29,036,000	-1,237,000	-1,395,000	---
Total, Rural Development Assistance	1,691,943,000	2,787,151,000	2,593,811,000	2,618,505,000	+926,562,000	-168,646,000	+24,694,000

2/ House amount reflects reappropriation of $12,500,000 from unexpended balances.

3/ Previously financed under the Rural Housing Insurance Fund.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1982 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1983—Continued

[Amounts in dollars]

Item	1982 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or −)		
					1982 Appropriation	Budget estimate	House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
CONSERVATION							
Soil Conservation Service:							
Conservation operations	310,809,000	336,580,000	326,198,000	326,198,000	+15,389,000	-10,382,000	---
(By transfer)	(7,849,000)	---	---	---	(-7,849,000)	---	---
River basin surveys and investigations	15,500,000	16,743,000	16,068,000	16,068,000	+568,000	-675,000	---
(By transfer)	(618,000)	---	---	---	(-618,000)	---	---
Watershed planning	8,690,000	9,152,000	8,675,000	8,675,000	-15,000	-477,000	---
(By transfer)	(355,000)	---	---	---	(-355,000)	---	---
Watershed and flood prevention operations	194,045,000	117,721,000	189,925,000	194,925,000	+880,000	+77,204,000	+5,000,000
Resource conservation and development	26,500,000	10,312,000	25,744,000	25,744,000	-756,000	+15,432,000	---
Great Plains conservation program	21,500,000	15,308,000	21,315,000	21,315,000	-185,000	+6,007,000	---
Soil and water conservation grants	---	10,000,000	---	---	---	-10,000,000	---
Total, Soil Conservation Service	577,044,000	515,816,000	587,925,000	592,925,000	+15,881,000	+77,109,000	+5,000,000
Agricultural Stabilization and Conservation Service:							
Agricultural conservation program	190,000,000	56,000,000	190,000,000	190,000,000	---	+134,000,000	---
Forestry incentives program 4/	12,500,000	---	12,500,000	12,500,000	---	+12,500,000	---
Water bank program 4/	8,800,000	---	8,800,000	8,800,000	---	+8,800,000	---
Emergency conservation program 4/	8,800,000	---	---	---	-8,800,000	---	---
Total, Agricultural Stabilization and Conservation Service	220,100,000	56,000,000	211,300,000	211,300,000	-8,800,000	+155,300,000	---

Total, Conservation	797,144,000	571,816,000	799,225,000	804,225,000	+7,081,000	+232,409,000	+5,000,000
Total, title II, Rural Development Programs:							
New budget (obligational) authority	2,489,087,000	3,358,967,000	3,393,036,000	3,422,730,000	+933,643,000	+63,763,000	+29,694,000
TITLE III - DOMESTIC FOOD PROGRAMS							
Food and Nutrition Service:							
Child nutrition programs	1,082,890,000	611,091,000	544,105,000	896,324,000	-186,566,000	+285,233,000	+352,219,000
(Transfer from sec. 32)	(1,763,948,000)	(2,214,690,000)	(2,281,676,000)	(2,281,676,000)	(+517,728,000)	(+66,986,000)	---
Total, Child nutrition programs 5/	(2,846,838,000)	(2,825,781,000)	(2,825,781,000)	(3,178,000,000)	(+331,162,000)	(+352,219,000)	(+352,219,000)
Special milk program	28,100,000	---	28,100,000	20,100,000	-8,000,000	+20,100,000	-8,000,000
Feeding program for Women, Infants and Children (WIC)	904,320,000	652,000,000	652,000,000	1,060,000,000	+155,680,000	+408,000,000	+408,000,000
Commodity supplemental food program (CSFP)	29,760,000	---	32,600,000	32,600,000	+2,840,000	+32,600,000	---
Food stamp program	11,300,000,000	9,541,707,000	9,541,707,000	10,896,000,000	-404,000,000	+1,354,293,000	+1,354,293,000
Nutrition assistance for Puerto Rico	---	825,000,000	825,000,000	825,000,000	+825,000,000	---	---
Food donations programs:							
Needy family program	48,220,000	65,200,000	65,200,000	56,266,000	+8,046,000	-8,934,000	-8,934,000
Elderly feeding program	93,200,000	88,000,000	100,000,000	100,000,000	+6,800,000	+12,000,000	---
Total, Food donations programs	141,420,000	153,200,000	165,200,000	156,266,000	+14,846,000	+3,066,000	-8,934,000
Food program administration	86,461,000	85,477,000	80,146,000	82,976,000	-3,485,000	-2,501,000	+2,830,000

4/ FY 83 est. combined with, and included under ACP.
5/ CBO estimate of request outlays reflects non-enactment of proposed legislation.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1982 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1983—Continued

[Amounts in dollars]

Item	1982 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or −)		
					1982 Appropriation	Budget estimate	House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Human Nutrition Information Service 6/	---	8,289,000	8,096,000	8,096,000	+8,096,000	-193,000	---
Total, title III, new budget (obligational) authority, Domestic Food Programs	13,572,951,000	11,876,764,000	11,876,954,000	13,977,362,000	+404,411,000	+2,100,598,000	+2,100,408,000
TITLE IV - INTERNATIONAL PROGRAMS							
Foreign Agricultural Service	68,236,000	79,207,000	70,947,000	77,961,000	+9,725,000	-1,246,000	+7,014,000
General Sales Manager (transfer from Commodity Credit Corporation)	(5,436,000)	(5,599,000)	(5,599,000)	(5,599,000)	(+163,000)	---	---
Public Law 480:							
Title I and III - Credit sales	325,127,000	378,000,000	378,000,000	378,000,000	+52,873,000	---	---
Title II - Commodities for disposition abroad 5/	674,873,000	650,000,000	650,000,000	650,000,000	-24,873,000	---	---
Associated outlays	---	---	---	---	---	---	---
Total, Public Law 480	1,000,000,000	1,028,000,000	1,028,000,000	1,028,000,000	+28,000,000	---	---
Office of International Cooperation and Development	3,627,000	3,703,000	3,578,000	3,578,000	-49,000	-125,000	---
Total, title IV, new budget (obligational) authority, International Programs	1,071,863,000	1,110,910,000	1,102,525,000	1,109,539,000	+37,676,000	-1,371,000	+7,014,000

TITLE V - RELATED AGENCIES

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration:							
Salaries and expenses	338,332,000	356,163,000	330,188,000	330,188,000	-8,144,000	-25,975,000	---
Standard Level User Charges	---	---	18,942,000	18,942,000	+18,942,000	+18,942,000	---
Total, Food and Drug Administration	338,332,000	356,163,000	349,130,000	349,130,000	+10,798,000	-7,033,000	---
Buildings and facilities	---	---	---	---	---	---	---
INDEPENDENT AGENCIES							
Commodity Futures Trading Commission	20,712,000	22,999,000	22,592,000	22,999,000	+2,287,000	---	+407,000
Farm Credit Administration (limitation on administrative expenses)	(16,372,000)	(17,954,000)	(17,954,000)	(17,954,000)	(+1,582,000)	---	---
Total, title V, new budget (obligational) authority, Related Agencies	359,044,000	379,162,000	371,722,000	372,129,000	+13,085,000	-7,033,000	+407,000

RECAPITULATION

Title I - Agricultural programs	14,348,384,000	6,357,862,000	6,322,717,000	6,274,229,000	-8,074,155,000	-83,633,000	-48,488,000
Title II - Rural development programs	2,489,087,000	3,358,967,000	3,393,036,000	3,422,730,000	+933,643,000	+63,763,000	+29,694,000
Title III - Domestic food programs	13,572,951,000	11,876,764,000	11,876,954,000	13,977,362,000	+404,411,000	+2,100,598,000	+2,100,408,000

6/ Transferred from ARS and NAL.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1982 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1983—Continued

[Amounts in dollars]

Item	1982 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or −)		
					1982 Appropriation	Budget estimate	House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Title IV - International programs	1,071,863,000	1,110,910,000	1,102,525,000	1,109,539,000	+37,676,000	-1,371,000	+7,014,000
Title V - Related agencies	359,044,000	379,162,000	371,722,000	372,129,000	+13,085,000	-7,033,000	+407,000
Total, new budget (obligational) authority	31,841,329,000	23,083,665,000	23,066,954,000	25,155,989,000	-6,685,340,000	+2,072,324,000	+2,089,035,000
Transfer from sec. 32 (Customs Receipts)	1,769,618,000	2,219,419,000	2,287,346,000	2,287,346,000	+517,728,000	+67,927,000	---
Total obligational authority	33,610,947,000	25,303,084,000	25,354,300,000	27,443,335,000	-6,167,612,000	+2,140,251,000	+2,089,035,000
Memoranda:							
Direct and insured loan level	9,222,200,000	6,197,000,000	8,864,100,000	8,897,000,000	-325,200,000	+2,700,000,000	+32,900,000
Guaranteed loan level	5,876,000,000	3,891,000,000	5,176,000,000	5,226,000,000	-650,000,000	+1,335,000,000	+50,000,000
Rent supplement authorization	398,000,000	---	73,745,000	173,745,000	-224,255,000	+173,745,000	+100,000,000
Transfers from Commodity Credit Corporation	314,681,000	314,818,000	314,818,000	314,818,000	+137,000	---	---